

FORM **BE-22** U.S. DEPARTMENT OF COMMERCE  
(7-20-95) BUREAU OF ECONOMIC ANALYSIS

Public reporting burden for this collection of information is estimated to vary from 4 to 500 hours per response, with an average of 11.5 hours per response, including time for reviewing instructions; searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate, including suggestions for reducing this burden, to Director, Bureau of Economic Analysis (BE-1), U.S. Department of Commerce, Washington, DC 20230; and to the Office of Management and Budget, Paperwork Reduction Project 0608-0060, Washington, DC 20503.

**MANDATORY  
CONFIDENTIAL**  
**ANNUAL SURVEY OF SELECTED  
SERVICES TRANSACTIONS WITH  
UNAFFILIATED FOREIGN  
PERSONS - 1995**

<b>BEA USE ONLY</b>	Control number																			
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**Part I NAME, ADDRESS, AND DETERMINATION OF REPORTING STATUS**

**1. Name and principal address of U.S. Reporter** - Enter or correct as necessary.

**MAIL REPORTS TO**  
U.S. Department of Commerce  
Bureau of Economic Analysis  
BE-50(SSB)  
Washington, DC 20230

OR

**DELIVER REPORTS TO**  
U.S. Department of Commerce  
Bureau of Economic Analysis  
BE-50(SSB)  
Shipping and Receiving Section M-100  
1441 L Street, NW  
Washington, DC 20005

**Assistance** - Telephone (202) 606-5588 during office hours - 8:00 a.m. to 4:00 p.m. eastern time. **Due date** - A completed BE-22 is due on March 31 of the calendar year following the one in which the U.S. Reporter's fiscal year ends.

**WHAT TO FILE** - All persons who receive this form must complete Part I, and the "Person to Consult" and "Certification" blocks below. Reporters subject to the mandatory reporting requirement must also complete Part II and the mandatory section(s) of the appropriate schedule(s). Reporters that elect to voluntarily report data must complete Part II and the voluntary section(s) of the appropriate schedule(s). Recipients of this form that are exempt from reporting must complete the exemption claim on page 2. TO DETERMINE REPORTING STATUS, PLEASE READ THE ATTACHED **GENERAL INSTRUCTIONS**.

<b>BEA USE ONLY</b>																				
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**2. Determination of reporting status**

If a U.S. person's total transactions (either sales or purchases) with unaffiliated foreign persons in any of the types of services listed on pages iv - v of the General Instructions exceed \$1,000,000 during the U.S. person's fiscal year, a BE-22 report **must** be filed. If a U.S. person's total transactions (either sales or purchases) with unaffiliated foreign persons in a given type of service are \$1,000,000 or less during the fiscal year, the U.S. person **may** voluntarily report the total for each type of service, not distributed by individual foreign country, on line 32 of the appropriate schedules. These estimates may be judgmental, that is, not based on a search of accounting records but instead on the recollection of knowledgeable persons within the company who are in a position to know whether any significant transactions in the particular service(s) were engaged in during the year, and if so, the approximate total amount(s) of such transactions. Information provided on these transactions will make the survey results more complete and will better ensure that all types of services are adequately represented in any negotiations or other policy initiatives supported by the survey data.

Mark (X) one:

- The U.S. Reporter is required to report data in the mandatory section of at least one of the schedules.
- The U.S. Reporter is not required to report data in the mandatory section of any schedule, but elects to report data voluntarily on line 32 of at least one schedule.
- The U.S. Reporter is not reporting data in either the mandatory or voluntary section of any schedule, and is filing an exemption claim. Complete the "PERSON TO CONSULT" and CERTIFICATION sections below and the exemption claim on page 2.

**PERSON TO CONSULT CONCERNING QUESTIONS ABOUT THIS REPORT** - Enter name and address

**CERTIFICATION** - The undersigned official certifies that this report has been prepared in accordance with the applicable instructions, is complete, and is substantially accurate except that, in accordance with VI.F of the **General Instructions**, estimates have been provided where data are not available from customary accounting records or precise data could not be obtained without undue burden.

Authorized official's signature

<b>TELEPHONE NUMBER</b>	Area code	Number	Extension	Print or type name and title	Date



**EXEMPTION CLAIM - Complete only if Part I, item 2, box 3 was marked.**

The U.S. Reporter is not reporting data on any schedule of this form because it - Mark (X) appropriate box.

**A**  Was not in existence at any time during the reporting period.

**B**  Is owned to the extent of more than 50% of its voting stock by another U.S. enterprise.

(If the U.S. Reporter is a corporation, the data in this report are to be for the fully consolidated domestic enterprise. If a corporation is owned to the extent of more than 50 percent of its voting stock by another U.S. corporation, the parent corporation should file this report. For exceptions, see I.D. of the General Instructions.)

**C**  Had no transactions, either sales or purchases, of the types covered, with unaffiliated foreign persons.

**D**  Had transactions, either sales or purchases, of the types covered but the value of each type did not exceed \$1,000,000 and the U.S. Reporter does not wish to report the data voluntarily. The total amount of the transactions, for all services combined, was approximately

Specify parent corporation		
Name		
Address — Number and street		
City	State	ZIP Code

Report in thousands of U.S. dollars	
Sales \$	Purchases \$

If you marked (X) a box in this exemption claim - **STOP HERE** and return this form to BEA.

<b>Part II</b>		Month	Day	Year	<b>2. Industry classification - Enter 3-digit code from the Summary of Industry Classifications.</b>	11002	1		
<b>1. Annual report for fiscal year ending</b>	11001			9 5					
<b>3. Major activity of the U.S. Reporter and product or service involved in that activity</b>									
<b>4. Primary Employer Identification (EI) Number used by the U.S. Reporter to file U.S. income or payroll taxes</b>									
11003 1 -									

**SCHEDULE A U.S. REPORTER'S SALES OF SELECTED SERVICES TO UNAFFILIATED FOREIGN PERSONS**

The mandatory section is **required** to be completed for a given type of service or activity if your total sales to foreign persons of that service, or your total receipts from foreign persons for that activity, exceed \$1,000,000.

The voluntary section is **requested** to be completed for a given type of service or activity if your total sales to foreign persons of that service, or your total receipts from foreign persons for that activity, are \$1,000,000 or less.

**NOTE** - In determining exemption, except for transactions in rights to natural resources, the \$1,000,000 threshold should be separately applied to each of the services listed below. For transactions in rights to natural resources, the \$1,000,000 threshold should be applied to the sum of services numbered 13 and 14.

Enter the number associated with the service, instead of the complete title of the service, in the column heading on page 3. See VII. of the General Instructions for complete descriptions of the services covered.

Service number	Service
1	Advertising
2	Computer and data processing, excluding prepackaged software
3	Data base and other information services
4	Telecommunications
5	Research, development, and testing
6	Management, consulting, and public relations
7	Accounting, auditing, and bookkeeping
8	Legal
9	Educational and training
10	Industrial engineering
11	Industrial-type maintenance and repair, installation, alteration, and training
12	Performing arts, sports, and other live performances, presentations, and events
13	Sale of rights to natural resources, and lease bonus payments
14	Use or lease of rights to natural resources, excluding lease bonus payments
15	Disbursements in the United States to fund news-gathering costs of broadcasters
16	Disbursements in the United States to fund news-gathering costs of print media
17	Disbursements in the United States to fund production costs of motion pictures
18	Disbursements in the United States to fund production costs of broadcast material other than news
19	Disbursements in the United States to maintain government tourist and business promotion offices
20	Disbursements in the United States to maintain sales promotion and representative offices



**SCHEDULE A – U.S. REPORTER’S SALES OF SELECTED SERVICES TO  
UNAFFILIATED FOREIGN PERSONS**

RECEIPTS FROM	BEA USE ONLY		REPORT IN THOUSANDS OF U.S. DOLLARS					
	Service number:	Service number:	Service number:	Service number:	Service number:	Service number:		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<b>MANDATORY</b> A1000	1	2	3	4	5	6	7	8
<b>Complete if total sales of the given type of service exceed \$1,000,000.</b>								
<b>1. All countries, total</b> → 001	1	2	3	4	5	6	7	8
<b>2. Australia</b> 002	1	2	3	4	5	6	7	8
<b>3. Belgium</b> 003	1	2	3	4	5	6	7	8
<b>4. Brazil</b> 004	1	2	3	4	5	6	7	8
<b>5. Canada</b> 005	1	2	3	4	5	6	7	8
<b>6. France</b> 006	1	2	3	4	5	6	7	8
<b>7. Germany</b> 007	1	2	3	4	5	6	7	8
<b>8. Hong Kong</b> 008	1	2	3	4	5	6	7	8
<b>9. Israel</b> 009	1	2	3	4	5	6	7	8
<b>10. Italy</b> 010	1	2	3	4	5	6	7	8
<b>11. Japan</b> 011	1	2	3	4	5	6	7	8
<b>12. Luxembourg</b> 012	1	2	3	4	5	6	7	8
<b>13. Mexico</b> 013	1	2	3	4	5	6	7	8
<b>14. Netherlands</b> 014	1	2	3	4	5	6	7	8
<b>15. Philippines</b> 015	1	2	3	4	5	6	7	8
<b>16. Saudi Arabia</b> 016	1	2	3	4	5	6	7	8
<b>17. South Korea</b> 017	1	2	3	4	5	6	7	8
<b>18. Spain</b> 018	1	2	3	4	5	6	7	8
<b>19. Sweden</b> 019	1	2	3	4	5	6	7	8
<b>20. Switzerland</b> 020	1	2	3	4	5	6	7	8
<b>21. Taiwan</b> 021	1	2	3	4	5	6	7	8
<b>22. United Kingdom</b> 022	1	2	3	4	5	6	7	8
<b>23. Venezuela</b> 023	1	2	3	4	5	6	7	8
<b>Other – Specify</b> <i>(Use additional copied sheets as necessary)</i>								
<b>24.</b> 024	1	2	3	4	5	6	7	8
<b>25.</b> 025	1	2	3	4	5	6	7	8
<b>26.</b> 026	1	2	3	4	5	6	7	8
<b>27.</b> 027	1	2	3	4	5	6	7	8
<b>28.</b> 028	1	2	3	4	5	6	7	8
<b>29.</b> 029	1	2	3	4	5	6	7	8
<b>30.</b> 030	1	2	3	4	5	6	7	8
<b>31.</b> 031	1	2	3	4	5	6	7	8
<b>VOLUNTARY</b>								
<b>Complete if total sales of the given type of service are \$1,000,000 or less.</b>								
<b>32. All countries, total</b> → 032	1	2	3	4	5	6	7	8
<b>BEA USE ONLY</b> 033	1	2	3	4	5	6	7	8

**NOTE** – If total (cross-border) sales of a given type of service exceed \$1 million, you must complete the MANDATORY section above, and line 32 must be left blank.

**SCHEDULE B – U.S. REPORTER’S PURCHASES OF SELECTED SERVICES FROM UNAFFILIATED FOREIGN PERSONS**

The mandatory section is **required** to be completed for a given type of service or activity if your total purchases of that service, or outlays for that activity, exceed \$1,000,000.

The voluntary section is **requested** to be completed for a given type of service or activity if your total purchases of that service, or outlays for that activity, are \$1,000,000 or less.

**NOTE** – In determining exemption, except for transactions in rights to natural resources, the \$1,000,000 threshold should be separately applied to each of the services listed below. For transactions in rights to natural resources, the \$1,000,000 threshold should be applied to the sum of services numbered 13 and 14. For purchases of primary insurance, for which premiums paid and losses recovered are required to be reported in separate columns, both premiums paid and losses recovered (services numbered 22 and 23) must be reported if either premiums paid or losses recovered exceed \$1,000,000. If there are transactions in one of these services but not in the other, enter "N/A" in the appropriate column of this schedule, line 1 or 32.

Enter the number, associated with the service, instead of the complete title of the service, in the column heading on page 5. See VII. of the General Instructions for complete descriptions of the services covered.

Service number	Service
<b>1</b>	Advertising
<b>2</b>	Computer and data processing, excluding prepackaged software
<b>3</b>	Data base and other information services
<b>4</b>	Telecommunications
<b>5</b>	Research, development, and testing
<b>6</b>	Management, consulting, and public relations
<b>7</b>	Accounting, auditing, and bookkeeping
<b>8</b>	Legal
<b>9</b>	Educational and training
<b>10</b>	Industrial engineering
<b>11</b>	Industrial-type maintenance and repair, installation, alteration, and training
<b>12</b>	Performing arts, sports, and other live performances, presentations, and events
<b>13</b>	Purchase of rights to natural resources, and lease bonus payments
<b>14</b>	Use or lease of rights to natural resources, excluding lease bonus payments
<b>15</b>	Disbursements abroad to fund news-gathering costs of broadcasters
<b>16</b>	Disbursements abroad to fund news-gathering costs of print media
<b>17</b>	Disbursements abroad to fund production costs of motion pictures
<b>18</b>	Disbursements abroad to fund production costs of broadcast material other than news
<b>19</b>	Disbursements abroad to maintain government tourist and business promotion offices
<b>20</b>	Disbursements abroad to maintain sales promotion and representative offices
<b>21</b>	Disbursements abroad to participate in foreign trade shows
<b>22</b>	Premiums paid on primary insurance
<b>23</b>	Losses recovered on primary insurance
<b>24</b>	Construction, engineering, architectural, and mining services

It should be noted that purchases of financial services covered by this survey are to be reported on separate Schedule C, not on this schedule.



**SCHEDULE B – U.S. REPORTER'S PURCHASES OF SELECTED SERVICES  
FROM UNAFFILIATED FOREIGN PERSONS**

PAYMENTS TO	BEA USE ONLY		REPORT IN THOUSANDS OF U.S. DOLLARS					
	Service number:	Service number:	Service number:	Service number:	Service number:	Service number:		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<b>MANDATORY</b> <span style="float:right">B1000</span> Complete if total purchases of the given type of service exceed \$1,000,000.	1	2	3	4	5	6	7	8
<b>1. All countries, total</b> → 001	1	2	3	4	5	6	7	8
<b>2. Australia</b> 002	1	2	3	4	5	6	7	8
<b>3. Belgium</b> 003	1	2	3	4	5	6	7	8
<b>4. Brazil</b> 004	1	2	3	4	5	6	7	8
<b>5. Canada</b> 005	1	2	3	4	5	6	7	8
<b>6. France</b> 006	1	2	3	4	5	6	7	8
<b>7. Germany</b> 007	1	2	3	4	5	6	7	8
<b>8. Hong Kong</b> 008	1	2	3	4	5	6	7	8
<b>9. Israel</b> 009	1	2	3	4	5	6	7	8
<b>10. Italy</b> 010	1	2	3	4	5	6	7	8
<b>11. Japan</b> 011	1	2	3	4	5	6	7	8
<b>12. Luxembourg</b> 012	1	2	3	4	5	6	7	8
<b>13. Mexico</b> 013	1	2	3	4	5	6	7	8
<b>14. Netherlands</b> 014	1	2	3	4	5	6	7	8
<b>15. Philippines</b> 015	1	2	3	4	5	6	7	8
<b>16. Saudi Arabia</b> 016	1	2	3	4	5	6	7	8
<b>17. South Korea</b> 017	1	2	3	4	5	6	7	8
<b>18. Spain</b> 018	1	2	3	4	5	6	7	8
<b>19. Sweden</b> 019	1	2	3	4	5	6	7	8
<b>20. Switzerland</b> 020	1	2	3	4	5	6	7	8
<b>21. Taiwan</b> 021	1	2	3	4	5	6	7	8
<b>22. United Kingdom</b> 022	1	2	3	4	5	6	7	8
<b>23. Venezuela</b> 023	1	2	3	4	5	6	7	8
<b>Other — Specify</b> (Use additional copied sheets as necessary)	1	2	3	4	5	6	7	8
<b>24.</b> 024	1	2	3	4	5	6	7	8
<b>25.</b> 025	1	2	3	4	5	6	7	8
<b>26.</b> 026	1	2	3	4	5	6	7	8
<b>27.</b> 027	1	2	3	4	5	6	7	8
<b>28.</b> 028	1	2	3	4	5	6	7	8
<b>29.</b> 029	1	2	3	4	5	6	7	8
<b>30.</b> 030	1	2	3	4	5	6	7	8
<b>31.</b> 031	1	2	3	4	5	6	7	8
<b>VOLUNTARY</b> Complete if total purchases of the given type of service are \$1,000,000 or less.	1	2	3	4	5	6	7	8
<b>32. All countries, total</b> → 032	1	2	3	4	5	6	7	8
<b>BEA USE ONLY</b> 033	1	2	3	4	5	6	7	8

**NOTE** – If total (cross-border) purchases of a given type of service exceed \$1 million, you must complete the MANDATORY section above, and line 32 must be left blank.



## SCHEDULE C – U.S. REPORTER'S PURCHASES OF FINANCIAL SERVICES FROM UNAFFILIATED FOREIGN PERSONS

The mandatory section is **required** to be completed if your total purchases of financial services exceed \$1,000,000.

The voluntary section is **requested** to be completed if your total purchases of financial services are \$1,000,000 or less.

This schedule covers direct **purchases** from foreigners of financial services by U.S. firms that are **not** financial services intermediaries or providers. For example, financial services purchased directly from foreigners by a U.S. manufacturing firm are covered, but services purchased by a U.S. bank or other U.S. financial services intermediary or provider are not covered.

For a consolidated U.S. enterprise that is comprised of both financial and nonfinancial subsidiaries, this schedule pertains **only** to transactions of the subsidiaries that are not financial services intermediaries or providers. Thus, for example, an auto manufacturer that owns a finance company should complete the financial services questions only for the manufacturing part of the firm.

Although financial services intermediaries are exempt from reporting on this schedule, they must report their purchases and sales of nonfinancial services on the other BE-22 schedules, and must report their purchases and sales of financial services on BEA surveys of financial services transactions between financial services providers and unaffiliated foreign persons, as appropriate.

U.S. financial services intermediaries or providers that are exempt from reporting on this schedule are: Depository institutions; nondepository credit institutions; security and commodity brokers, dealers, exchanges, and services providers; insurance carriers and pension funds; insurance agents, brokers, and services providers; investment offices, trusts, oil royalty traders, patent owners and lessors, and real estate investment trusts; and holding companies of financial services intermediaries. This list is similar to the finance and insurance part of Division H in the 1987 Standard Industrial Classification Manual, except that Division H includes all holding companies, not just holding companies of financial services intermediaries.

**Column (3), Credit-related fees** – Include fees for establishing, maintaining, or arranging credits, letters of credit, bankers acceptances, mortgages, factoring services, loan guarantees, etc., that are commonly provided by foreign banking establishments.

Include fees paid directly and fees that are withheld or deducted from your proceeds by the foreign person. For example, for factoring services, the fee may be calculated as the difference between the proceeds you received from the sale of your receivables and the face amount of the receivables sold; for arranging credits, letters of credit, etc., it may be calculated as the difference between the proceeds you received from the loan, letter of credit, etc. (after deduction of the fee) and your liability to the foreign lending establishment. Report credit-related fees in the accounting period in which they are incurred, whether or not expensed in that accounting period.

**Exclude** interest on your obligations, because interest is a payment for the use of loan proceeds and is not a fee for the establishment, maintenance, or arrangement of credit.

**Column (4), Fees on securities transactions** – Include commissions and other fees for securities transactions (including transactions in derivatives) or futures trading, such as brokerage, underwriting, private placements, etc. Fees for such services would commonly be paid to foreign investment banks and securities brokers or dealers.

Include fees that can be calculated from transactions records or other documentation issued by the investment bank or security broker or dealer. Omit, rather than attempt to estimate, these fees if they cannot be calculated, from such documentation. (For example, a dealer's markup on bond purchases and sales cannot be directly estimated from transactions records issued by a securities dealer.)

**Column (5), Fees for other financial services** – Include fees for asset/liability management, debt renegotiation, and other financial services. **Exclude leasing.** (Report computer leasing in the BE-22 service category, "Computer and data processing services, excluding the value of prepackaged software.") **Exclude real estate management services.** (Report such services in the BE-22 service category, "Management, consulting, and public relations services.") For entries in this column, describe on the back of Schedule C the type of financial service that accounts for the largest share of the data reported.



**SCHEDULE C – U.S. REPORTER'S PURCHASES OF FINANCIAL SERVICES  
FROM UNAFFILIATED FOREIGN PERSONS**

**NOTE** – Total purchases of financial services are calculated as the sum of columns (3) through (5)

PAYMENTS TO	BEA USE ONLY		REPORT IN THOUSANDS OF U.S. DOLLARS		
	(1)	(2)	Credit-related fees	Fees on securities transactions	Fees for other financial services (Specify largest type on reverse side of this schedule.)
			(3)	(4)	(5)
<b>MANDATORY</b> Complete if total purchases of financial services exceed \$1,000,000.					
1. All countries, total → C0001	1	2	3	4	5
2. Australia 002	1 601	2	3	4	5
3. Belgium 003	1 302	2	3	4	5
4. Brazil 004	1 202	2	3	4	5
5. Canada 005	1 100	2	3	4	5
6. France 006	1 307	2	3	4	5
7. Germany 007	1 308	2	3	4	5
8. Hong Kong 008	1 611	2	3	4	5
9. Israel 009	1 504	2	3	4	5
10. Italy 010	1 314	2	3	4	5
11. Japan 011	1 614	2	3	4	5
12. Luxembourg 012	1 316	2	3	4	5
13. Mexico 013	1 213	2	3	4	5
14. Netherlands 014	1 319	2	3	4	5
15. Philippines 015	1 623	2	3	4	5
16. Saudi Arabia 016	1 511	2	3	4	5
17. South Korea 017	1 626	2	3	4	5
18. Spain 018	1 323	2	3	4	5
19. Sweden 019	1 324	2	3	4	5
20. Switzerland 020	1 325	2	3	4	5
21. Taiwan 021	1 628	2	3	4	5
22. United Kingdom 022	1 327	2	3	4	5
23. Venezuela 023	1 219	2	3	4	5
<b>Other — Specify</b> (Use additional copied sheets as necessary)					
24.	1	2	3	4	5
25.	1	2	3	4	5
26.	1	2	3	4	5
27.	1	2	3	4	5
28.	1	2	3	4	5
29.	1	2	3	4	5
30.	1	2	3	4	5
31.	1	2	3	4	5
<b>VOLUNTARY</b> Complete if total purchases of financial services are \$1,000,000 or less.					
32. All countries, total → 032	1 709	2	3	4	5
<b>BEA USE ONLY</b> 033	1	2	3	4	5

**NOTE** – If total (cross-border) purchases of all types of financial services combined (the sum of columns 3 through 5) exceed \$1 million, you must complete the MANDATORY section above, and line 32 must be left blank.



**SCHEDULE C – PURCHASES OF FINANCIAL SERVICES FROM  
UNAFFILIATED FOREIGN PERSONS**

*If there is an entry in column (5) of Schedule C, specify below the type of financial service that accounts for the largest share of the data reported.*

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This historical survey form is no longer valid  
and is for information purposes only.  
Current survey forms are at  
[www.bea.gov/help/information-for-survey-respondents](http://www.bea.gov/help/information-for-survey-respondents).



## GENERAL INSTRUCTIONS

**Purpose** – Reports on this form are required in order to obtain reliable and up-to-date information on selected services transactions between U.S. persons and unaffiliated foreign persons. The information will be used to help support trade negotiations, formulate U.S. policy, and analyze the impact of that policy and the policies of foreign countries, on international trade in services. The data will also be used in compiling the U.S. balance of payments and national income and product accounts.

**Authority** – The filing of reports for this survey is authorized by Section 3103(a) of the International Investment and Trade in Services Survey Act, P.L. 94-472, 90 Stat. 2059, 22 U.S.C. 3101 to 3108, as amended (hereinafter "the Act"). Regulations for the survey may be found in 15 CFR Part 801.

**Penalties** – Whoever fails to report may be subject to a civil penalty of not less than \$2,500, and not more than \$25,000, and to injunctive relief commanding such person to comply, or both. Whoever willfully fails to report shall be fined not more than \$10,000 and, if an individual, may be imprisoned for not more than one year, or both. Any officer, director, employee, or agent of any corporation who knowingly participated in such violations, upon conviction, may be punished by a like fine, imprisonment, or both. (See Section 3105 of the Act.) Notwithstanding the above, a U.S. person is not subject to any penalty for failure to report if a valid Office of Management and Budget (OMB) control number is not displayed on the form; such a number (0608-0060) is displayed on this form.

**Confidentiality** – The Act provides that your report to this Bureau is CONFIDENTIAL. It also provides that your report may be used only for analytical or statistical purposes and CANNOT be used for purposes of taxation, investigation, or regulation. Copies retained in your files are immune from legal process.

### NOTES –

1. A single original copy of this report must be filed with the Bureau of Economic Analysis (BEA); please use the copy with the address label if such a labeled copy has been provided.
2. Currency amounts should be reported in U.S. dollars rounded to thousands (omitting 000). **EXAMPLE** - If the amount is \$1,000,000, report as \$1,000. Amounts less than \$500.00 round to "0" and should, therefore, be omitted.

### I. WHO IS TO REPORT AND GENERAL COVERAGE

#### A. Who is to report and transactions to be reported

1. **Mandatory reporting** – A BE-22 report is **required** from each U.S. person who had transactions (either sales or purchases) in excess of \$1,000,000 with unaffiliated foreign persons in any of the services listed in VII. of these General Instructions during the U.S. person's fiscal year.

The determination of whether a U.S. person is subject to this mandatory reporting requirement may be judgmental, that is, based on the judgement of knowledgeable persons in a company who can identify reportable transactions on a recall basis, with a reasonable degree of certainty without conducting a detailed manual records search. The "Optional Checklist" (Supplement A) described in IV. of the General Instructions may be used to facilitate data collection from the various parts of the reporter's organization.

Reporters who must file pursuant to this mandatory reporting requirement must complete Parts I and II of the form and all applicable schedules. The total amounts of transactions applicable to a particular schedule are to be entered in the appropriate column(s) on line 1 of the schedule. In addition, these amounts must be distributed below line 1 to the country(ies) involved in the transaction(s).

2. **Voluntary reporting** – If, during the U.S. person's fiscal year, the U.S. person's total transactions (either sales or purchases) in any of the types of services listed in VII. of these General Instructions are \$1,000,000 or less, the U.S. person is requested to provide an estimate of the total for each type of service. Provision of this information is voluntary. The estimates may be judgmental, that is, based on recall, without conducting a detailed manual records search.

The total amounts of transactions applicable to a particular schedule are to be entered in the appropriate column(s) on line 32 of the schedule. (If information on the countries of the transactions is available, the transactions may instead be reported by country in the mandatory section; however, disaggregation by country is not required.) Reporters who elect to file pursuant to the voluntary reporting option must complete Parts I and II of the form.

3. **Exemption** – A U.S. person receiving this form from BEA who is not required to report data in the mandatory section of any schedule, and who elects not to report data in the voluntary section of any schedule, must complete the "Person to Consult" and certification sections on page 1 and the exemption claim on page 2 of the form.

#### B. BE-22 definition of sales (receipts) or purchases (payments)

It should be noted that an item other than sales or purchases may be used as the measure of a given service for purposes of determining whether the threshold for mandatory reporting of the service is exceeded. Note that in several cases – advertising; telecommunications; performing arts, etc.; miscellaneous disbursements (services numbered 15–21 in VII. of these General Instructions); and rights to natural resources (services numbered 13 and 14) – measures other than, or in addition to, sales or purchases of services should be used. See VII. of these General Instructions for an explanation of what measure should be applied in determining whether you are subject to the BE-22 survey's mandatory reporting requirements for a given service.

#### C. Clarification of coverage and special situations

1. **Reporting period** – Form BE-22 is an annual report; one report is to be filed for each fiscal year of the U.S. Reporter. The Reporter's fiscal year is its financial reporting year that has an ending date in a given calendar year. (See **Definitions, II.M.**)
2. **Date of recording transactions** – Except for telecommunications services, transactions are to be reported on an accrual basis. Telecommunications transactions are to be reported on a settlements basis.
3. **Withholding taxes** – Data should be reported gross of U.S. and foreign withholding taxes.
4. **Services covered regardless of where performed** – Services sold to, or purchased from, unaffiliated foreign persons should be reported regardless of whether the services were performed in the United States or abroad.
5. **Services bundled with goods or with other services and not separately valued** – When a sale or purchase consists of both goods and services, or of several services, that cannot be unbundled (i.e., the goods and/or services are not separately valued), it should be classified based on whichever accounts for a majority of the value or on the basis of the Reporter's customary practice.
6. **Accounting for purchases** – Purchases of services should be included without regard to whether they are charged as an expense on the income statement, capitalized, or charged to inventories.
7. **Partnerships** – A partnership is a business enterprise and must report if it has covered transactions. The report must be for, and the data and information must cover, the partnership as a whole, not just the activities of an individual partner.
8. **Contractor reporting responsibility** – On all schedules, U.S. prime contractors are to report the full value of a transaction (contract) with an unaffiliated foreign person. U.S. subcontractors, including independent consultants, to a U.S. prime contractor are not to report their share of a contract with an unaffiliated foreign person.
9. **Projects with U.S. Government nonmilitary agencies** – Report information on services that are provided abroad for U.S. Government nonmilitary agencies, such as the Agency for International Development and the United States Information Agency, or that are part of an aid or technical cooperation program of the Government with foreign persons. However, do not report services provided to the U.S. Department of Defense or any of its agencies, such as the Army Corps of Engineers.
10. **International organizations** – Report transactions with international organizations, which, according to balance of payments conventions, are considered unaffiliated foreign persons even if they are headquartered in the United States. Enter the abbreviated designation, "Int'l Org.", as the name of the country the project is with.

#### D. Consolidation

If the U.S. Reporter is a corporation, Form BE-22 is required to cover reportable transactions for the fully consolidated U.S. domestic enterprise consisting of (i) the U.S. corporation whose voting securities are not owned more than 50 percent by another U.S. corporation, and, proceeding down each ownership chain from that U.S. corporation, (ii) any U.S. corporation (including a Foreign Sales Corporation located in the United States) whose voting securities are more than 50-percent owned by the U.S. corporation above it.



## GENERAL INSTRUCTIONS – Continued

### D. Consolidation – Continued

The fully consolidated U.S. domestic enterprise excludes foreign branches and other foreign affiliates.

Conditions may exist that would lead a U.S. corporation to exclude certain majority-owned (more than 50-percent owned) domestic subsidiaries from financial statements used in reports to shareholders. If such a subsidiary has covered transactions, it must file a report under its own name, and the subsidiary will be considered the U.S. Reporter for purposes of completing that form. The U.S. owner, however, is responsible for ensuring that the required Forms BE-22, both for itself and for the subsidiary, are filed with BEA on a timely basis. Such a subsidiary's filing deadline is the same as that of its U.S. owner.

## II. DEFINITIONS

**A. Services** mean economic activities whose outputs are other than tangible goods. This term includes, but is not limited to, banking, other financial services, insurance, transportation, communications and data processing, retail and wholesale trade, advertising, accounting, construction, design, engineering, management consulting, real estate, professional services, entertainment, education, and health care.

**B. U.S. Reporter** is the U.S. person filing a report in this survey (see I.D. for further clarification).

**C. United States**, when used in a geographic sense, means the several States, the District of Columbia, the Commonwealth of Puerto Rico, and all territories and possessions of the United States.

**D. Foreign**, when used in a geographic sense, means that which is situated outside the United States or which belongs to or is characteristic of a country other than the United States.

**E. Person** means any individual, branch, partnership, associated group, association, estate, trust, corporation, or other organization (whether or not organized under the laws of any State), and any government (including a foreign government, the United States Government, a State or local government, and any agency, corporation, financial institution, or other entity or instrumentality thereof, including a government sponsored agency).

**1. United States person** means any person resident in the United States or subject to the jurisdiction of the United States.

**2. Foreign person** means any person resident outside the United States or subject to the jurisdiction of a country other than the United States.

**F. Business enterprise** means any organization, association, branch or venture which exists for profitmaking purposes or to otherwise secure economic advantage, and any ownership of any real estate. (A business enterprise is a "person" within the definition in paragraph E above.)

**G. Direct investment** means the ownership or control, directly or indirectly, by one person of 10 per centum or more of the voting securities of an incorporated business enterprise or an equivalent interest in an unincorporated business enterprise.

**H. Parent** means a person of one country who, directly or indirectly, owns or controls 10 per centum or more of the voting stock of an incorporated business enterprise, or an equivalent ownership interest in an unincorporated business enterprise, which is located outside that country.

**1. U.S. parent** means the U.S. person that has direct investment in a foreign business enterprise.

**2. Foreign parent** means the foreign person, or the first person outside the United States in a foreign chain of ownership, which has direct investment in a U.S. business enterprise, including a branch.

**I. Affiliated foreign group** means (i) the foreign parent, (ii) any foreign person, proceeding up the foreign parent's ownership chain, which owns more than 50 per centum of the person below it up to and including that person which is not owned more than 50 per centum by another foreign person, and (iii) any foreign person, proceeding down the ownership chain(s) of each of these members, which is owned more than 50 per centum by the person above it.

**J. Affiliate** means a business enterprise located in one country which is directly or indirectly owned or controlled by a person of another country to the extent of 10 per centum or more of its voting stock for an incorporated business or an equivalent interest for an unincorporated business, including a branch.

**1. Foreign affiliate** means an affiliate located outside the United States in which a U.S. person has direct investment.

**2. U.S. affiliate** means an affiliate located in the United States in which a foreign person has direct investment.

**K. Affiliated foreign person** means, with respect to a given U.S. person, (i) a foreign affiliate of which the U.S. person is a U.S. parent, or (ii) the foreign parent or other member of the affiliated foreign group of which the U.S. person is a U.S. affiliate.

**L. Unaffiliated foreign person** means, with respect to a given U.S. person, any foreign person that is not an affiliated foreign person as defined in paragraph K above.

**M. Fiscal year** is the U.S. Reporter's financial reporting year that has an ending date in a given calendar year. For example, fiscal year 19X1 is the U.S. Reporter's financial reporting year that has an ending date in calendar year 19X1. For a person that does not have a financial reporting year, or does not have a financial reporting year ending in a given calendar year, its fiscal year is deemed to be the same as the calendar year.

**N. Country** means, for purposes of this survey, the country of location of the foreign person with whom a transaction has occurred.

## III. GUIDELINES FOR CATEGORIZING ACTIVITIES

### A. Distinguishing between unaffiliated and affiliated transactions

This survey covers U.S. persons' direct services transactions, both sales and purchases, with unaffiliated foreign persons – that is, with foreign persons that are neither the foreign affiliate nor the foreign parent of the U.S. person filing the report. For definitions of terms, see II. above.

Examples of reportable transactions are:

1. A transaction between a U.S. person and an unaffiliated foreign person.
2. A transaction between one U.S. person and another U.S. person's foreign affiliate. Such a transaction is reportable by the first U.S. person.
3. A transaction between a U.S. parent of a foreign affiliate, or a U.S. affiliate of a foreign parent, and an unaffiliated foreign person (whether or not the latter is affiliated with other U.S. persons). Such a transaction is reportable by the U.S. parent or the U.S. affiliate.

Examples of transactions that are **not** reportable are:

1. A transaction between a U.S. person (U.S. parent) and its foreign affiliate.
2. A transaction between a U.S. person (U.S. affiliate) and its foreign parent or other member of the affiliated foreign group.
3. A transaction between a U.S. person's foreign affiliate and another foreign person. Such a transaction is not reportable because it is a foreign-to-foreign transaction.
4. A transaction between a U.S. person and another U.S. person (whether or not either or both parties are affiliated with foreign persons). Such a transaction is not reportable because it is a U.S.-to-U.S. transaction.

Transactions between U.S. parents and their foreign affiliates, and between foreign affiliates and other foreign persons, are already reportable in the surveys of U.S. direct investment abroad (BE-10, BE-11, and BE-577). Transactions between U.S. affiliates and their foreign parents or other members of their affiliated foreign groups are already reportable in the surveys of foreign direct investment in the United States (BE-12, BE-13, BE-15, BE-605, and BE-606B).



## GENERAL INSTRUCTIONS – Continued

### B. Foreign activities of a U.S. person that do not constitute a foreign affiliate

Transactions with unaffiliated foreign persons by or through a foreign "activity" of a U.S. person that is not a foreign affiliate must be reported on the BE-22, if the activities are in covered types of services. Any of the services covered by this survey may also be provided at a foreign location through a foreign affiliate. Such transactions are not reportable in this survey. Before completing this survey, therefore, reporters must determine whether or not the services are conducted through a foreign activity that is not a foreign affiliate or through a foreign affiliate.

Although the definitions of direct investment and foreign affiliate in II. above, together with the discussion in III.A. above, should be sufficient to determine whether a given foreign activity is or is not a foreign affiliate, in a number of cases the determination may be difficult. Several factors to be considered are given below. If you still cannot determine if the activity or operation is an affiliate, call (202) 606-5588 for additional guidance. Also, if you think that an activity or operation currently reported as an affiliate is incorrect, please call and a determination of future reporting status will be made.

If a U.S. person's foreign activity or operation is incorporated abroad, it is a foreign affiliate.

If a U.S. person's foreign activity or operation is **not** incorporated abroad, its status is based on the weight of the evidence when the factors listed below are considered.

An unincorporated foreign activity or operation generally **would** be considered a foreign affiliate if it: (i) pays foreign income taxes; (ii) has a substantial physical presence abroad (e.g., plant and equipment or employees); (iii) maintains separate financial records that would permit the preparation of financial statements, including an income statement and balance sheet (not just a record of disbursements and receipts); (iv) takes title to the goods it sells and receives revenues therefrom; or (v) receives funds for its own account from customers for services it performs.

An unincorporated foreign activity or operation generally **would not** be considered a foreign affiliate if it: (i) conducts business abroad only for the U.S. person's account and not for its own account (e.g., sales promotion or public relations type of activities); (ii) has no separate financial statements; (iii) receives funds to cover its expenses only from the U.S. person; (iv) pays no foreign income taxes; and (v) has limited physical assets, or employees, permanently located abroad.

**Note** that a diverse group of activities that do not constitute foreign affiliates are covered by services numbered 15-21 in VII. of these General Instructions. For activities that are covered by these services, the respondent is asked to provide a breakdown by country of the total amount of the funding for these activities.

### C. U.S. activities of a foreign person that do not constitute a U.S. affiliate

Criteria for determining which U.S. activities do or do not constitute a U.S. affiliate of a foreign person are parallel to those in III.B. above.

### D. Determining who must report a transaction when an intermediary is involved

At times, transactions between a U.S. person and an unaffiliated foreign person may be arranged by, billed through, or otherwise facilitated by, an intermediary. The intermediary may be U.S. or foreign, and may be affiliated or unaffiliated with the U.S., or the foreign, person.

A determination of who a sale is to, or who a purchase is from, shall be made on the basis of who the U.S. person considers itself to have a claim on for payment, in the case of a sale, or who it has a liability to, in the case of a purchase. For a sale, if the U.S. person looks to the unaffiliated foreign person for payment, then the transaction is between the U.S. person and unaffiliated foreign person, and is to be reported by the U.S. person. If the U.S. person looks to the intermediary for payment, and the intermediary, in turn, looks to the foreign person for payment, then whether either transaction is reportable, and who it is to be reported by, depends on the location of the intermediary and the relationship between the U.S. person and the intermediary.

If the intermediary is a foreign person, then the U.S. person would report the transaction, provided the intermediary is not affiliated with the U.S. person. (If they are affiliated, then the transaction is not reportable in this survey.)

If the intermediary is a U.S. person, then the initial transaction between the original U.S. person and the intermediary is domestic-to-domestic and not reportable in the survey. However, the intermediary must report the transaction with the foreign person, provided the intermediary is not affiliated with the foreign person. (If they are affiliated, then the transaction is not reportable in this survey.)

The reportability of a purchase would be determined in a similar manner.

### V. OPTIONAL CHECKLIST OF SERVICES TRANSACTIONS BETWEEN COMPANY UNIT AND UNAFFILIATED FOREIGN PERSONS

For the convenience of reporters, an "Optional Checklist" is provided in Supplement A, to help diversified companies determine, without a records search, whether or not the "parts" or units of the company had reportable services transactions, either sales or purchases, with unaffiliated foreign persons in the fiscal year.

If, for any sales or purchases category, a "part" or unit of the company answers "Yes" to the question of whether it had a transaction in a particular type of service, that "part" or unit must be included in the company's report under the survey's mandatory reporting requirement if the U.S. Reporter's total transactions in that service exceed \$1,000,000. (See I.A.1. of these General Instructions.) Even if the U.S. Reporter's total transactions are \$1,000,000 or less, a "Yes" answer to the question of whether the "part" or unit had any transactions can be used to help determine if the transactions of that "part" or unit should be included in the company's report on a voluntary basis. (See I.A.2. of these General Instructions.)

Companies should reproduce the checklist for distribution to their "parts" or units if they decide to use it in preparing their reports. The checklist is optional; it is for the internal use of reporters only and should not be returned to BEA with Form BE-22.

Some companies may find it advantageous to adapt the "Optional Checklist" to accommodate their own particular corporate structure or data collection procedures.

### VII. RELATED FORMS

Persons receiving this form should be aware of nine other forms on services that are required to be filed on a mandatory basis with BEA (see 15 CFR, Part 801, Sections 9(b) and 9(c)).

- BE-20** Benchmark Survey of Selected Services Transactions With Unaffiliated Foreign Persons
- BE-29** Foreign Ocean Carriers' Expenses in the United States
- BE-30** Ocean Freight Revenues and Foreign Expenses of United States Carriers
- BE-36** Foreign Airline Operators' Revenues and Expenses in the United States
- BE-37** U.S. Airline Operators' Foreign Revenues and Expenses
- BE-47** Annual Survey of Construction, Engineering, Architectural, and Mining Services Provided by U.S. Firms to Unaffiliated Foreign Persons
- BE-48** Annual Survey of Reinsurance and Other Insurance Transactions by U.S. Insurance Companies with Foreign Persons
- BE-80** Benchmark Survey of Financial Services Transactions Between U.S. Financial Services Providers and Unaffiliated Foreign Persons
- BE-93** Annual Survey of Royalties, License Fees, and Other Receipts and Payments for Intangible Rights Between U.S. and Unaffiliated Foreign Persons

The types of transactions reportable on those forms are not covered by this survey. To receive a copy of forms BE-29, BE-30, BE-36, and BE-37, telephone BEA at (202) 606-9559. To receive a copy of forms BE-20, BE-47, BE-48, BE-80, and BE-93, telephone BEA at (202) 606-5588.

### VI. REPORTING PROCEDURES

- A. Due date** – A completed BE-22 is due on March 31 of the calendar year following the one in which the U.S. Reporter's fiscal year ends.
- B. Extension** – Requests for an extension of the reporting deadline will not normally be granted. However, in a hardship case, a written request for an extension will be considered provided it is received at least 15 days before the due date of the report and enumerates substantive reasons necessitating the extension. BEA will provide a written response to such a request.
- C. For assistance or additional copies of the forms** – Phone (202) 606-5588 between 8:00 a.m. and 4:00 p.m., eastern time.
- D. Original and file copies** – A single original copy of each form or schedule must be filed with BEA. Please use the copy with the address label if such a labeled copy has been provided. In addition, each U.S. Reporter must retain a copy of its report to facilitate resolution of problems; these copies should be retained by the U.S. Reporter for a period of not less than 3 years beyond the form's original due date.
- E. Where to send report** – Reports filed by mail through the U.S. Postal Service should be sent to U.S. Department of Commerce, Bureau of Economic Analysis BE-50(SSB), Washington, DC 20230. Reports filed by direct private delivery should be directed to U.S. Department of Commerce, Bureau of Economic Analysis BE-50(SSB), Shipping and Receiving Section, Room M-100, 1441 L Street, NW, Washington, DC 20005.
- F. Estimates** – If actual figures are not available, estimates should be supplied and labeled as such. When data items cannot be fully subdivided as required, totals and an estimated breakdown of the totals should be supplied.



## GENERAL INSTRUCTIONS – Continued

### VII. SERVICES COVERED

Report sales of services numbered 1-20 on Schedule A, and report purchases of services numbered 1-24 on Schedule B. Report purchases of financial services (service number 25) on Schedule C.

- 1. Advertising services** – Preparation of advertising and placement of such advertising in media, including charges for media space and time. An advertising agency selling such services should report **gross billings** to unaffiliated foreigners. Sales by media companies (e.g. broadcasters, publishers, etc.) that are arranged through U.S. advertising agencies are presumed to be reflected in billings of the advertising agencies; thus, in order to avoid duplication, they should not be reported by the media suppliers. U.S. advertising agencies should report only direct transactions with unaffiliated foreign clients. Exclude transactions that are with the U.S. affiliates of foreign clients, rather than directly with foreign clients; such transactions are considered domestic (U.S.-to-U.S.) and are, therefore, outside the scope of this survey. Exclude charges for services other than advertising, such as public relations services or market research not directly associated with an advertising campaign. Such services should be reported under service number 6. U.S. media companies should report only direct sales of advertising services to unaffiliated foreign persons; they should not report advertising arranged by U.S. advertising agencies, including U.S. affiliates of foreign advertising agencies.

Under **purchases** of advertising services, U.S. Reporters that are advertising agencies should report only funds paid to foreign advertising agencies and media companies on behalf of its clients. U.S. Reporters other than advertising agencies should report only purchases made directly from foreign advertising agencies and media companies. Do not report purchases made through a U.S. advertising agency. Also, do not report purchases made through the U.S. office of a foreign advertising agency if your payment is made to the U.S. office.

Include the value of reciprocal exchanges; i.e., transactions involving barter. On Schedule A, value your sales to the foreign participant in the reciprocal exchange at market rates, not at the actual cost of performing the services. On Schedule B, value your purchases from the foreign participant at the same amount as the sales reported on Schedule A.

- 2. Computer and data processing services, excluding the value of prepackaged software** – Data entry, processing (both batch and remote), and tabulation; computer systems analysis, design, and engineering; custom software and programming services; rights to use, reproduce, or distribute computer software (including master copies and electronically transmitted software), whether custom or prepackaged; equipment leasing (except financial leasing); integrated hardware/software systems; and other computer services (e.g., timesharing, maintenance, and repair). Excludes the value of prepackaged software shipped to or from the United States and included in U.S. merchandise trade statistics.
- 3. Data base and other information services** – Business and economic data base services, including business news, stock quotation, and financial information services; medical, legal, technical, demographic, bibliographic, and similar data base services; general news services, such as those purchased from a news syndicate; and other information services, including reservation systems and credit reporting and authorization systems. For airline reservation systems, includes booking fees from foreign carriers for the use of your reservation system, whether accessed directly or by a U.S. or foreign travel agent.
- 4. Telecommunications services** – Includes services of the following types (to be reported in a single column, rather than as five separate types of services):

**Message telephone services, telex, telegram, and other services** – On Schedule A, report receipts from foreign persons (communications companies and postal, telephone, and telegraph agencies) for your share of revenues for transmitting messages originating abroad to U.S. destinations. On Schedule B, report payouts to foreign persons (communications companies and PTT's) for their share of revenues for transmitting messages originating in the United States to foreign destinations. For messages originating in foreign countries and routed through the United States (for example, from Caribbean countries via the United States to Western Europe), report receipts from the foreign person originating the message and payouts to the country of destination. Also report receipts for transmitting messages between foreign points when not offered in connection with enhanced services, and other regulated services of the type reportable to the FCC on Report 4361.

**Private leased channel services** – On Schedule A, report receipts from foreign persons for circuits and channels terminating in the United States and for circuits and channels between foreign points. On Schedule B, report payouts to foreign persons (communications companies and PTT's) for leased channels and circuits terminating in foreign countries.

**Value-added (enhanced) services** – Telecommunications services that add value or function above and beyond the telecommunications transport services that deliver the value-added services to end users. They can include (a) electronic mail, voice mail, code and protocol processing, and management and operation of data networks; (b) facsimile services and video conferencing; and (c) other value-added (enhanced) services. (Facsimile services and videoconferencing should be considered as value-added only if the company provides the facilities and equipment; a company that provides solely the telecommunications transmission for these services should report receipts and payouts on Schedules A and B).

**Support services** – Services related to the maintenance and repair of telecommunications equipment; ground station services (where the ground station is not an "affiliate"); capacity leasing for transiting; and launching of communications satellites.

**Reciprocal exchanges** – Include the value of reciprocal exchanges; i.e., transactions involving barter. On Schedule A, value your sales to the foreign participant in the reciprocal exchange at market rates, not at the actual cost of performing the services. On Schedule B, value your purchases from the foreign participant at the same amounts as the sales reported on Schedule A.

- 5. Research, development, and testing services** – Commercial and noncommercial research, product development services, and testing services. Includes fees for the conduct of experiments or performance of research and development activities aboard spacecraft. Excludes medical and dental laboratory services.
- 6. Management, consulting, and public relations services** – Management services, except management of health care facilities; consulting services, except consulting engineering services related to actual or proposed construction or mining services projects (report purchases under service number 24, and report sales on BEA Form BE-47 - see V. of these General Instructions) and computer consulting (reportable under service number 2); and public relations services, except those that are an integral part of an advertising campaign (report under service number 1). Excludes management and operation of a business where operating staff as well as management is provided. (Generally, such operations would be deemed to constitute a U.S. affiliate to be reported on BEA's direct investment surveys rather than on this survey.)
- 7. Accounting, auditing, and bookkeeping services** – Excludes data processing and tabulation services (reportable under service number 2).
- 8. Legal services** – Legal advice or other legal services. Insurance companies should include fees paid as compensation for claims adjustment services.
- 9. Educational and training services** – Educational or training services provided on a contract or fee basis. Excludes tuition and fees charged to individual U.S. or foreign students by educational institutions. Also excludes training done by a manufacturer in connection with the sale of a good (reportable under service number 11).
- 10. Industrial engineering services** – Engineering services related to the design of movable products, including product design services. Excludes engineering and architectural services that relate to immovable products, such as those that relate to actual or proposed construction or mining services projects (report purchases under service number 24, and report sales on BEA Form BE-47 - see V. of these General Instructions). Excludes computer systems engineering (reportable under service number 2). Includes, however, services performed with the assistance of computers, such as computer-assisted design work.



## GENERAL INSTRUCTIONS – Continued

- 11. Industrial-type maintenance and repair, installation, alteration, and training services** – Maintenance and repair services primarily to machinery and equipment. May also include small maintenance and repair work on buildings, structures, dams, highways, etc., but only to the extent that the work is not reportable under service number 24. Would include such services as the periodic overhaul of turbines or locomotives, the extinguishing of natural gas well fires, and refinery maintenance. Excludes computer maintenance and repair services (reportable under service number 2). Installation and training services include only installation, startup, and training services provided by a manufacturer in connection with the sale of a good. Do not include such services where the cost is included in the price of the goods and not separately billed or is declared as a part of the price of the goods on the import or export declaration filed with the U.S. Customs Service; however, services provided at a price over and above that entered on the declaration should be included. These services would be reported elsewhere if not received in connection with the purchase of goods. For example, installation of machinery and equipment is normally considered a construction activity, and training personnel in the use of new machinery would ordinarily be reported as an educational or training service.
- 12. Performing arts, sports, and other live performances, presentations, and events** – Fees received (net of allowances for foreign expenses) or paid (net of allowances for U.S. expenses) for performing arts, sports, etc. To be reported by (a) U.S. management companies, booking agents, promoters, and presenters who received funds from or paid funds to foreign persons, for performances and events, and (b) U.S. performers who received funds directly from a foreign person rather than through a U.S. management company or similar entity. (As used here, "performers" means entertainers, sports teams, orchestras, dance companies, lecturers, and similar persons or performing groups.)
- 13. Sale or purchase of rights to natural resources, and lease bonus payments** – Receipts from the sale of, or payments for the acquisition of, rights to natural resources located in the United States and abroad, and lease bonus payments. Excludes sales or purchases of rights to surface land.
- 14. Use or lease of rights to natural resources, excluding lease bonus payments** – Receipts or payments for the use of rights to natural resources located in the United States and abroad, including oil or mining production royalties. Excludes lease bonus payments (reportable under service number 13) and sales or purchases of rights to surface land.
- Note for services numbered 15-21:** Where a set of related expenditures was made in several countries, but your recordkeeping does not permit a precise allocation of expenses among individual countries, estimates are acceptable. If no basis for such estimates exists, then it is permissible to record the expenditures against the country in which the activities were centered or headquartered. For example, a news correspondent may conduct news-gathering activities in several countries. Although it would be preferable to report news-gathering expenses in each of the several countries, all of the expenses may, if necessary, be recorded against the country where the foreign news bureau is headquartered, or where the correspondent had the largest outlays.
- 15. Disbursements to fund news-gathering costs of broadcasters** – U.S. broadcasters' outlays to fund operations of their foreign news bureaus and for support of correspondents in foreign countries, and foreign broadcasters' outlays to fund operations of their U.S. news bureaus and for support of correspondents in the United States. (See note above.)
- 16. Disbursements to fund news-gathering costs of print media** – Outlays by U.S. newspapers, news syndicates, and news magazines for the operation of their foreign news bureaus, and outlays by foreign newspapers, news syndicates, and news magazines for the operation of their U.S. news bureaus. (See note above service number 15.)
- 17. Disbursements to fund production costs of motion pictures** – Foreign production costs of U.S. motion picture companies, and U.S. production costs of foreign motion picture companies. (See note above service number 15.)
- 18. Disbursements to fund production costs of broadcast program material other than news** – Foreign production costs of U.S. companies engaged in the production of broadcast material other than news, and U.S. production costs of foreign companies engaged in the production of broadcast material other than news. (See note above service number 15.)
- 19. Disbursements to maintain government tourism and business promotion offices** – Funding to maintain State tourism and business promotion offices located abroad, and funding to maintain foreign government sponsored tourism and business promotion offices located in the United States. (See note above service number 15.)
- 20. Disbursements to maintain sales promotion and representative offices** – Funding to maintain U.S. persons' sales promotion or representative offices located abroad, and funding to maintain foreign persons' sales promotion or representative offices located in the United States. (Sales promotion offices typically have few assets other than office furniture; to the extent that their employees are compensated by commissions, the commissions arise only from sales or business that the employees generate for their U.S. or foreign parents; they do not produce revenue, other than funds from their parents to cover their expenses; and they are engaged only in sales promotion, representational, public-relations-type activities, or the gathering of market information, on behalf of their parents. If an office produces revenues for its own account from goods or services it provides to unaffiliated persons, then it is considered a U.S. or foreign affiliate and is subject to the reporting requirements for BEA's direct investment surveys.) (See note above service number 15.)
- 21. Disbursements to participate in foreign trade shows (outlays only)** – Foreign expenses incurred by U.S. persons participating in foreign trade shows. (See note above service number 15.)
- Note for services numbered 22-23:** When you report either service number 22 or 23, also report the other service. If there are transactions in one of these services but not in the other, enter "N/A" in the appropriate column of Schedule B, line 1 or 32.
- 22. Primary insurance premiums (purchases only)** – Premiums (net of cancellations) paid to unaffiliated foreign insurance carriers. A U.S. Reporter should not report direct transactions with a foreign insurance company that is its foreign affiliate; such transactions are to be reported on direct investment survey BE-577. A U.S. Reporter should, however, report direct transactions with a foreign insurance company that is an affiliate of another U.S. company, as the U.S. Reporter and the foreign insurance company are unaffiliated. (See note above.)
- 23. Losses recovered on primary insurance (purchases only)** – Losses recovered on insurance purchased from unaffiliated foreign insurance carriers. (See note above service number 22.)
- 24. Construction, engineering, architectural, and mining services (purchases only)** – Includes purchases of the following types of services: services of general contractors in the fields of building and heavy construction; construction work by special trade contractors, such as the erection of structural steel for bridges and buildings and on-site electrical work; architectural, engineering, and land-surveying services; and mining services, including oil and gas field services. Includes only those engineering services purchased in conjunction with construction and mining services projects; industrial engineering services, such as product design services, should be reported under service number 10. Includes services purchased in connection with proposed projects (e.g.; feasibility studies) as well as projects that are actually being carried out.
- Note** that the U.S. Reporter's sales of construction, engineering, architectural, and mining services are not reportable on this survey, but on separate BEA Form BE-47.
- 25. Financial services (purchases only)** – Purchases from foreigners of financial services by U.S. firms, or domestic subsidiaries of U.S. firms, that are **not** financial services intermediaries or providers. Such purchases should be reported on Schedule C. See Schedule C for a more detailed description of the types of transactions that are covered.



**SUPPLEMENT A - OPTIONAL CHECKLIST OF SERVICES TRANSACTIONS BETWEEN  
COMPANY UNIT AND UNAFFILIATED FOREIGN PERSONS  
ANNUAL SURVEY OF SELECTED SERVICES TRANSACTIONS WITH UNAFFILIATED FOREIGN PERSONS**

This checklist is provided with the BE-22 survey for the internal use and convenience of Reporters only and is not to be returned to BEA.

The guidelines listed below apply to this checklist.

The purpose of this checklist is to facilitate the determination of whether or not the "parts" or units of a given U.S. company had any of the various services transactions covered by the survey, either sales (receipts) or purchases (payments), with unaffiliated foreign persons during the respondent's fiscal year. (The term "persons" includes business enterprises, governments, individuals, and other organizations and entities.)

- Both sales and purchases of services should relate to the company's fiscal year.
- Transactions by the U.S. operations ONLY are covered. Transactions by or with foreign branches or subsidiaries (foreign affiliates) of the U.S. company are NOT covered, NOR are transactions by or with a foreign parent company.
- In reporting purchases, include items meeting the above criteria, without regard to whether they were charged as an expense on the income statement, capitalized, or charged to inventories.
- "Foreign" means that which is situated outside the United States and its territories and possessions. Therefore, transactions with companies located in the United States that have foreign parents are NOT includable; and transactions with foreign affiliates of other U.S. companies ARE includable.
- Foreign persons are considered to be "unaffiliated" if (a) the U.S. company's ownership percentage (direct and indirect) in the foreign person is less than 10 percent or (b) the foreign person's ownership percentage (direct and indirect) in the U.S. company is less than 10 percent. (Questions as to whether a particular foreign company is affiliated or unaffiliated should be referred to the person named in the box below.)
- Includable transactions are determined by the above criteria, without regard to WHERE the services were performed. For example, services performed abroad by a respondent are covered if the respondent's U.S. operations performed the services instead of a foreign affiliate. Similarly, purchases of services from unaffiliated foreign persons are includable without regard to WHERE such services were performed.

For companies with diverse operations, this checklist should be directed to persons in the various parts of the company who are knowledgeable about the parts' sales and purchasing activities and who can say, in their judgement, with a reasonable degree of certainty without conducting a records search, whether or not a part engaged in covered transactions. Because companies organize their operations and accounting systems in different ways, these parts of a company might variously be referred to as profit centers, business units, divisions, subsidiaries, plant sites, establishments, operating centers, etc., or some combination thereof. All parts of the domestic company must be covered, although all need not be given the checklist, since some might already be known by headquarters to have, or not have, reportable transactions.

Definitions of the various types of services are on the reverse side of this checklist. Note that in several cases - advertising (service number 1); telecommunications (service number 4); performing arts, etc. (service number 12); miscellaneous disbursements (services numbered 15-21); and rights to natural resources (services numbered 13 and 14) - measures other than, or in addition to, sales of services and purchases of services should be used in completing the checklist.

Person in company headquarters to contact concerning questions about this survey.

**TELEPHONE**

Area code	Number	Extension
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Name \_\_\_\_\_

**OPTIONAL SALES AND PURCHASES CHECKLIST**

For each service listed, for both sales and purchases, mark (X) "Yes" or "No" as to whether, in your judgement, your part of the company had any transactions with unaffiliated foreign persons during the fiscal year. If the answer is "Yes," enter the estimated amount of the transactions in column (c) (SALES) or column (f) (PURCHASES).

Type of service	SALES			PURCHASES		
	Had any transactions?		Estimated amount Report in dollars (c)	Had any transactions?		Estimated amount Report in dollars (f)
	Yes (a)	No (b)		Yes (d)	No (e)	
1. Advertising services						
2. Computer and data processing services						
3. Data base and other information services						
4. Telecommunications services						
5. Research, development, and testing services						
6. Management, consulting, and public relations services						
7. Accounting, auditing, and bookkeeping services						
8. Legal services						
9. Educational and training services						
10. Industrial engineering services						
11. Industrial-type maintenance and repair, installation, alteration, and training services						
12. Performing arts, sports, and other live performances, presentations and events						
13. Sale or purchase of rights to natural resources, and lease bonus payments						
14. Use or lease of rights to natural resources, excluding lease bonus payments						
15. Disbursements to fund news-gathering costs of broadcasters						
16. Disbursements to fund news-gathering costs of print media						
17. Disbursements to fund production costs of motion pictures						
18. Disbursements to fund production costs of broadcast material other than news						
19. Disbursements to maintain government tourist and business promotion offices						
20. Disbursements to maintain sales promotion and representative offices						
21. Disbursements to participate in foreign trade shows			Not reportable			
22. Premiums paid on primary insurance			Not reportable			
23. Losses recovered on primary insurance			Not reportable			
24. Construction, engineering, architectural, and mining services			Not reportable			
25. Financial services			Not reportable			

**Person completing this form for part or unit of company, complete box on reverse side.**



## DEFINITIONS OF TYPES OF SERVICES

1. **Advertising services** – Preparation of advertising and placement of such advertising in media, including charges for media space and time. An advertising agency selling services should use **gross billings** to unaffiliated foreigners in completing the checklist.
2. **Computer and data processing services, excluding the value of prepackaged software** – Data entry, processing (both batch and remote), and tabulation; computer systems analysis, design, and engineering; custom software and programming services; rights to use, reproduce, or distribute computer software (including master copies and electronically transmitted software), whether custom or prepackaged; equipment leasing (except financial leasing); integrated hardware/software systems; and other computer services (e.g., timesharing, maintenance, and repair). Excludes the value of prepackaged software shipped to or from the United States and included in U.S. merchandise trade statistics.
3. **Data base and other information services** – Business and economic data base services, including business news, stock quotation, and financial information services; medical, legal, technical, demographic, bibliographic, and similar data base services; general news services, such as those provided by a news syndicate; and other information services, including reservation systems and credit reporting and authorization systems.
4. **Telecommunications services**
  - a. **Message telephone services (communications carriers only)** – Receipts from foreign persons (communications companies and postal, telephone, and telegraph agencies (PTT's)) for own share of revenues for transmitting messages originating abroad to U.S. destinations, and payouts to foreign persons (communications companies and PTT's) for their share of revenues for transmitting messages originating in the United States to foreign destinations.
  - b. **Private leased channel services** – Receipts from foreign persons for circuits and channels terminating in the United States and for circuits and channels between foreign points, and payouts to foreign persons for leased channels and circuits terminating in foreign countries.
  - c. **Telex, telegram, and other jointly provided (basic) services** – Includes telex and telegram services, packet switched services when not offered in connection with enhanced services, and other regulated services of the type reportable to the FCC on Report 4361.
  - d. **Value-added (enhanced) services** – Telecommunications services that add value or function above and beyond the telecommunications transport services that deliver the value-added services to end users. They can include (i) electronic mail, voice mail, code and protocol processing, and management of data networks; (ii) facsimile services and videoconferencing; and (iii) other value-added (enhanced) services.
  - e. **Support services** – Services related to the maintenance and repair of telecommunications equipment; ground station services; capacity leasing for transiting; and launching of communications satellites.
5. **Research, development, and testing services** – Commercial and noncommercial research, product development services, and testing services. Includes fees for the conduct of experiments or performance of research and development activities aboard spacecraft. Excludes medical and dental laboratory services.
6. **Management, consulting, and public relations services** – Management services, except management of health care facilities; consulting services, except consulting engineering services related to actual or proposed construction or mining services projects (see 24) and computer consulting (see 2); and public relations services, except those that are an integral part of an advertising campaign (see 1).
7. **Accounting, auditing, and bookkeeping services** – Excludes data processing and tabulating services (see 2).
8. **Legal services** – Legal advice or other legal services, including insurance claims adjustment services.
9. **Educational and training services** – Educational or training services provided or acquired on a contract or fee basis. Excludes tuition and fees charged to individual students, as well as training done by a manufacturer in connection with the sale of a good (see 11).
10. **Industrial engineering services** – Engineering services related to the design of movable products, including product design services. Excludes services that relate to immovable products, such as those that relate to actual or proposed construction or mining services projects (see 24).
11. **Industrial-type maintenance and repair, installation, alteration, and training services**

Maintenance and repair services primarily to machinery and equipment, and small maintenance and repair work on buildings, structures, dams, highways, etc. Excludes major projects of the type listed under 24, and computer maintenance and repair (see 2).

Installation, startup, and training services provided by a manufacturer **in connection with the sale of goods**. Include elsewhere as appropriate (e.g., in construction or education and training) if not provided in connection with the sale of goods. Excludes such services where the cost is included in the price of the goods and not separately billed or is declared as a part of the price of the goods on the shippers export or import declaration filed with the U.S. Customs Service.
12. **Performing arts, sports, and other live performances, presentations, and events** – Fees received (net of allowances for foreign expenses) or paid (net of allowances for U.S. expenses) for performing arts, sports, etc. To be reported by (a) U.S. management companies, booking agents, promoters, and presenters who received funds from or paid funds to foreign persons, for performances and events, and (b) U.S. performers who received funds directly from a foreign person rather than through a U.S. management company or similar entity. (As used here, "performers" means entertainers, sports teams, orchestras, dance companies, lecturers, and similar persons or performing groups.)
13. **Sale or purchase of rights to natural resources, and lease bonus payments** – Receipts from the sale of, or payments for the acquisition of rights to natural resources located in the United States and abroad, and lease bonus payments. Excludes sales or purchases of rights to surface land.
14. **Use or lease of rights to natural resources, excluding lease bonus payments** – Receipts or payments for the use of rights to natural resources located in the United States and abroad, including oil or mining production royalties. Excludes lease bonus payments (reportable under 13) and sales or purchases or rights to surface land.
- 15–21. **Miscellaneous disbursements** – Disbursements or outlays to fund news-gathering costs of broadcasters and the print media; production costs of motion picture companies and companies engaged in the production of broadcast program material other than news; and costs of maintaining tourism, business promotion, and representative offices, and for participating in foreign trade shows.
22. **Primary insurance premiums (purchases only)** – Applies only to insurance purchased from foreign insurance carriers. Equals premiums paid minus cancellations. Excludes reinsurance transactions.
23. **Losses recovered on primary insurance (purchases only)** – Applies only to claims recovered on purchases of primary insurance.
24. **Construction, engineering, architectural, and mining services** – Covers only **purchases** of the following types of services: Services of general contractors in the fields of building and heavy construction; construction work by special trade contractors, such as the erection of structural steel for bridges and buildings and on-site electrical work; architectural, engineering, and land-surveying services; and mining services, including oil and gas field services. Includes only those engineering services purchased in conjunction with construction and mining services projects; industrial engineering services, such as product design services, are included in 10. Includes services purchased in connection with proposed projects (e.g., feasibility studies) as well as projects that are actually being carried out.
25. **Financial services** – Payments to foreigners of credit-related fees; fees on securities transactions; and fees for other financial services by U.S. firms, or domestic subsidiaries of U.S. firms, that are **not** financial services intermediaries or providers. For transactions in "other" financial services, specify here or on an attachment the type of service that accounts for the largest share of the data reported.

*For the convenience of the person in the company headquarters who is preparing the consolidated BE-22 report, please complete the following.*

Part or unit of company this Supplement A is for:

Name of person in the part or unit of the company to contact concerning this Supplement A

TELEPHONE

Area code	Number	Extension
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FORM **BE-22** U.S. DEPARTMENT OF COMMERCE  
(11-10-99) BUREAU OF ECONOMIC ANALYSIS

Public reporting burden for this collection of information is estimated to vary from 4 to 500 hours per response, with an average of 11.5 hours per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate, including suggestions for reducing this burden, to Director, Bureau of Economic Analysis (BE-1), U.S. Department of Commerce, Washington, DC 20230; and to the Office of Management and Budget, Paperwork Reduction Project 0608-0060, Washington, DC 20503.

**MANDATORY  
CONFIDENTIAL**  
**ANNUAL SURVEY OF SELECTED  
SERVICES TRANSACTIONS WITH  
UNAFFILIATED FOREIGN  
PERSONS - 1999**

MAIL  
REPORTS  
TO

U.S. Department of Commerce  
Bureau of Economic Analysis  
BE-50(SSB)  
Washington, DC 20230

OR

DELIVER  
REPORTS  
TO

U.S. Department of Commerce  
Bureau of Economic Analysis  
BE-50(SSB)  
Shipping and Receiving Section M-100  
1441 L Street, NW  
Washington, DC 20005

**BEA USE ONLY** Control number

**Part I NAME, ADDRESS, AND DETERMINATION OF REPORTING STATUS**

**1. Name and principal address of U.S. Reporter** - Enter or correct as necessary.

**Assistance** - Telephone (202) 606-5588 during office hours - 8:00 a.m. to 4:00 p.m. eastern time.

**Due date** - A completed BE-22 is due on March 31, 2000.

**WHAT TO FILE** - All persons who receive this form must complete Part I, and the "Person to Consult" and "Certification" blocks below. Reporters subject to the mandatory reporting requirement must also complete Part II and the mandatory section(s) of the appropriate schedule(s). Reporters that elect to voluntarily report data must complete Part II and the voluntary section(s) of the appropriate schedule(s). Recipients of this form that are exempt from reporting must complete the exemption claim on page 2. TO DETERMINE REPORTING STATUS, PLEASE READ THE ATTACHED **GENERAL INSTRUCTIONS**.

**BEA USE ONLY**

**2. Determination of reporting status**

If a U.S. person's total transactions (either sales or purchases) with unaffiliated foreign persons in any of the types of services listed on pages iv - vi of the General Instructions exceed \$1,000,000 during the U.S. person's fiscal year, a BE-22 report **must** be filed. If a U.S. person's total transactions (either sales or purchases) with unaffiliated foreign persons in a given type of service are \$1,000,000 or less during the fiscal year, the U.S. person **may** voluntarily report the total for each type of service, not distributed by individual foreign country, on line 32 of the appropriate schedules. These estimates may be judgmental, that is, not based on a search of accounting records but instead on the recollection of knowledgeable persons within the company who are in a position to know whether any significant transactions in the particular service(s) were engaged in during the year, and if so, the approximate total amount(s) of such transactions. Information provided on these transactions will make the survey results more complete and will better ensure that all types of services are adequately represented in any negotiations or other policy initiatives supported by the survey data.

Mark (X) one:

- The U.S. Reporter is required to report data in the mandatory section of at least one of the schedules.
- The U.S. Reporter is not required to report data in the mandatory section of any schedule, but elects to report data voluntarily on line 32 of at least one schedule.
- The U.S. Reporter is not reporting data in either the mandatory or voluntary section of any schedule, and is filing an exemption claim. Complete the "PERSON TO CONSULT" and CERTIFICATION sections below and the exemption claim on page 2.

**PERSON TO CONSULT CONCERNING QUESTIONS ABOUT THIS REPORT** - Enter name and address

**CERTIFICATION** - The undersigned official certifies that this report has been prepared in accordance with the applicable instructions, is complete, and is substantially accurate except that, in accordance with VI.G of the **General Instructions**, estimates have been provided where data are not available from customary accounting records or precise data could not be obtained without undue burden.

Authorized official's signature

TELEPHONE NUMBER

Area code

Number

Extension

Print or type name and title

Date



**EXEMPTION CLAIM - Complete only if Part I, item 2, box 3 was marked.**

The U.S. Reporter is not reporting data on any schedule of this form because it - *Mark (X) appropriate box.*

**A**  Was not in existence at any time during the reporting period.

**B**  Is owned to the extent of more than 50% of its voting stock by another U.S. enterprise.

*(If the U.S. Reporter is a corporation, the data in this report are to be for the fully consolidated domestic enterprise. If a corporation is owned to the extent of more than 50 percent of its voting stock by another U.S. corporation, the parent corporation should file this report. For exceptions, see I.D. of the General Instructions.)*

**C**  Had no transactions, either sales or purchases, of the types covered, with unaffiliated foreign persons.

**D**  Had transactions, either sales or purchases, of the types covered but the value of each type did not exceed \$1,000,000 and the U.S. Reporter does not wish to report the data voluntarily. The total amount of the transactions, for all services combined, was approximately

Specify parent corporation		
Name		
Address — Number and street		
City	State	ZIP Code

Report in thousands of U.S. dollars	
Sales \$	Purchases \$

If you marked (X) a box in this exemption claim - **STOP HERE** and return this form to BEA.

<b>1. Annual report for fiscal year ending</b>	11001	Month	Day	Year	<b>2. Industry classification - Enter 3-digit code from the Summary of Industry Classifications.</b>	11002	1		
				9 9					
<b>3. Major activity of the U.S. Reporter and product or service involved in that activity</b>									
<b>4. Primary Employer Identification (EI) Number used by the U.S. Reporter to file U.S. income or payroll taxes</b>	11003	1							

**U.S. REPORTER'S SALES OF SELECTED SERVICES TO UNAFFILIATED FOREIGN PERSONS**

The mandatory section is **required** to be completed for a given type of service or activity if your total sales to foreign persons of that service, or your total receipts from foreign persons for that activity, exceed \$1,000,000.

The voluntary section is **requested** to be completed for a given type of service or activity if your total sales to foreign persons of that service, or your total receipts from foreign persons for that activity, are \$1,000,000 or less.

**NOTE** - In determining exemption, except for transactions in rights to natural resources, the \$1,000,000 threshold should be separately applied to each of the services listed below. For transactions in rights to natural resources, the \$1,000,000 threshold should be applied to the sum of services numbered 13 and 14.

Enter the number associated with the service, instead of the complete title of the service, in the column heading on page 3. See VII. of the General Instructions for complete descriptions of the services covered.

Service number	Service
1	Advertising services
2	Computer and data processing services
3	Data base and other information services
4	Telecommunications services
5	Research, development, and testing services
6	Management, consulting, and public relations services
7	Accounting, auditing, and bookkeeping services
8	Legal services
9	Educational and training services
10	Industrial engineering services
11	Industrial-type maintenance, installation, alteration, and training services
12	Performing arts, sports, and other live performances, presentations, and events
13	Sale or purchase of rights to natural resources, and lease bonus payments
14	Use or lease of rights to natural resources, excluding lease bonus payments
15	Disbursements to fund news-gathering costs of broadcasters
16	Disbursements to fund news-gathering costs of print media
17	Disbursements to fund production costs of motion pictures
18	Disbursements to fund production costs of broadcast program material other than news
19	Disbursements to maintain government tourism and business promotion offices
20	Disbursements for sales promotion and representation
26	Merchanting services
27	Operational leasing services
28	Other private services*

\*"Other private services" (i.e., service number 28) consist of language translation services, security services, collection services, actuarial services, salvage services, satellite photography services, and toxic waste cleanup services.



**SCHEDULE A - U.S. REPORTER'S SALES OF SELECTED SERVICES TO UNAFFILIATED FOREIGN PERSONS**

RECEIPTS FROM	BEA USE ONLY		REPORT IN THOUSANDS OF U.S. DOLLARS					
	Service number:	Service number:	Service number:	Service number:	Service number:	Service number:		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<b>MANDATORY</b> A1000	1	2	3	4	5	6	7	8
<b>Complete if total sales of the given type of service exceed \$1,000,000.</b>								
<b>1. All countries, total</b> → 001	1	2	3	4	5	6	7	8
<b>2. Australia</b> 002	1	2	3	4	5	6	7	8
<b>3. Belgium</b> 003	1	2	3	4	5	6	7	8
<b>4. Brazil</b> 004	1	2	3	4	5	6	7	8
<b>5. Canada</b> 005	1	2	3	4	5	6	7	8
<b>6. France</b> 006	1	2	3	4	5	6	7	8
<b>7. Germany</b> 007	1	2	3	4	5	6	7	8
<b>8. Hong Kong</b> 008	1	2	3	4	5	6	7	8
<b>9. Israel</b> 009	1	2	3	4	5	6	7	8
<b>10. Italy</b> 010	1	2	3	4	5	6	7	8
<b>11. Japan</b> 011	1	2	3	4	5	6	7	8
<b>12. Luxembourg</b> 012	1	2	3	4	5	6	7	8
<b>13. Mexico</b> 013	1	2	3	4	5	6	7	8
<b>14. Netherlands</b> 014	1	2	3	4	5	6	7	8
<b>15. Philippines</b> 015	1	2	3	4	5	6	7	8
<b>16. Saudi Arabia</b> 016	1	2	3	4	5	6	7	8
<b>17. South Korea</b> 017	1	2	3	4	5	6	7	8
<b>18. Spain</b> 018	1	2	3	4	5	6	7	8
<b>19. Sweden</b> 019	1	2	3	4	5	6	7	8
<b>20. Switzerland</b> 020	1	2	3	4	5	6	7	8
<b>21. Taiwan</b> 021	1	2	3	4	5	6	7	8
<b>22. United Kingdom</b> 022	1	2	3	4	5	6	7	8
<b>23. Venezuela</b> 023	1	2	3	4	5	6	7	8
<b>Other - Specify</b> (Use additional copied sheets as necessary)	1	2	3	4	5	6	7	8
<b>24.</b> 024								
<b>25.</b> 025	1	2	3	4	5	6	7	8
<b>26.</b> 026	1	2	3	4	5	6	7	8
<b>27.</b> 027	1	2	3	4	5	6	7	8
<b>28.</b> 028	1	2	3	4	5	6	7	8
<b>29.</b> 029	1	2	3	4	5	6	7	8
<b>30.</b> 030	1	2	3	4	5	6	7	8
<b>31.</b> 031	1	2	3	4	5	6	7	8
<b>VOLUNTARY</b>								
<b>Complete if total sales of the given type of service are \$1,000,000 or less.</b>								
<b>32. All countries, total</b> → 032	1	2	3	4	5	6	7	8
		709						
<b>BEA USE ONLY</b> 033	1	2	3	4	5	6	7	8

This historical survey form is no longer valid. Current survey forms are at [www.bea.gov/help/information-for-survey-respondents](http://www.bea.gov/help/information-for-survey-respondents).

**NOTE -** If total (cross-border) sales of a given type of service exceed \$1 million, you must complete the MANDATORY section above, and line 32 must be left blank.



**SCHEDULE B – U.S. REPORTER’S PURCHASES OF SELECTED SERVICES FROM UNAFFILIATED FOREIGN PERSONS**

The mandatory section is **required** to be completed for a given type of service or activity if your total purchases of that service, or outlays for that activity, exceed \$1,000,000.

The voluntary section is **requested** to be completed for a given type of service or activity if your total purchases of that service, or outlays for that activity, are \$1,000,000 or less.

**NOTE** – In determining exemption, except for transactions in rights to natural resources, the \$1,000,000 threshold should be separately applied to each of the services listed below. For transactions in rights to natural resources, the \$1,000,000 threshold should be applied to the sum of services numbered 13 and 14. For purchases of primary insurance, for which premiums paid and losses recovered are required to be reported in separate columns, both premiums paid and losses recovered (services numbered 22 and 23) must be reported if either premiums paid or losses recovered exceed \$1,000,000. If there are transactions in one of these services but not in the other, enter "N/A" in the appropriate column of this schedule, line 1 or 32.

Enter the number associated with the service, instead of the complete title of the service, in the column heading on page 5. See VII. of the General Instructions for complete descriptions of the services covered.

Service number	Service
1	Advertising services
2	Computer and data processing services
3	Data base and other information services
4	Telecommunications services
5	Research, development, and testing services
6	Management, consulting, and public relations services
7	Accounting, auditing, and bookkeeping services
8	Legal services
9	Educational and training services
10	Industrial engineering services
11	Industrial-type maintenance, installation, alteration, and training services
12	Performing arts, sports, and other live performances, presentations, and events
13	Sale or purchase of rights to natural resources, and lease bonus payments
14	Use or lease of rights to natural resources, excluding lease bonus payments
15	Disbursements to fund news-gathering costs of broadcasters
16	Disbursements to fund news-gathering costs of print media
17	Disbursements to fund production costs of motion pictures
18	Disbursements to fund production costs of broadcast program material other than news
19	Disbursements to maintain government tourism and business promotion offices
20	Disbursements for sales promotion and representation
21	Disbursements to participate in foreign trade shows
22	Premiums paid on purchase of primary insurance
23	Losses recovered on purchases of primary insurance
24	Construction, engineering, architectural, and mining services
27	Operational leasing services
28	Other private services*
**Other private services" (i.e., service number 28) consist of language translation services, security services, collection services, actuarial services, salvage services, satellite photography services, and toxic waste cleanup services.	

Note that purchases of financial services covered by this survey are to be reported on separate Schedule C, not on this schedule.



**SCHEDULE B – U.S. REPORTER’S PURCHASES OF SELECTED SERVICES  
FROM UNAFFILIATED FOREIGN PERSONS**

PAYMENTS TO	BEA USE ONLY		REPORT IN THOUSANDS OF U.S. DOLLARS					
	Service number:	Service number:	Service number:	Service number:	Service number:	Service number:		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<b>MANDATORY</b> B1000 Complete if total purchases of the given type of service exceed \$1,000,000.	1	2	3	4	5	6	7	8
<b>1. All countries, total</b> → 001	1	2	3	4	5	6	7	8
<b>2. Australia</b> 002	1	2	3	4	5	6	7	8
<b>3. Belgium</b> 003	1	2	3	4	5	6	7	8
<b>4. Brazil</b> 004	1	2	3	4	5	6	7	8
<b>5. Canada</b> 005	1	2	3	4	5	6	7	8
<b>6. France</b> 006	1	2	3	4	5	6	7	8
<b>7. Germany</b> 007	1	2	3	4	5	6	7	8
<b>8. Hong Kong</b> 008	1	2	3	4	5	6	7	8
<b>9. Israel</b> 009	1	2	3	4	5	6	7	8
<b>10. Italy</b> 010	1	2	3	4	5	6	7	8
<b>11. Japan</b> 011	1	2	3	4	5	6	7	8
<b>12. Luxembourg</b> 012	1	2	3	4	5	6	7	8
<b>13. Mexico</b> 013	1	2	3	4	5	6	7	8
<b>14. Netherlands</b> 014	1	2	3	4	5	6	7	8
<b>15. Philippines</b> 015	1	2	3	4	5	6	7	8
<b>16. Saudi Arabia</b> 016	1	2	3	4	5	6	7	8
<b>17. South Korea</b> 017	1	2	3	4	5	6	7	8
<b>18. Spain</b> 018	1	2	3	4	5	6	7	8
<b>19. Sweden</b> 019	1	2	3	4	5	6	7	8
<b>20. Switzerland</b> 020	1	2	3	4	5	6	7	8
<b>21. Taiwan</b> 021	1	2	3	4	5	6	7	8
<b>22. United Kingdom</b> 022	1	2	3	4	5	6	7	8
<b>23. Venezuela</b> 023	1	2	3	4	5	6	7	8
<b>Other — Specify</b> (Use additional copied sheets as necessary)	1	2	3	4	5	6	7	8
<b>24.</b> 024								
<b>25.</b> 025	1	2	3	4	5	6	7	8
<b>26.</b> 026	1	2	3	4	5	6	7	8
<b>27.</b> 027	1	2	3	4	5	6	7	8
<b>28.</b> 028	1	2	3	4	5	6	7	8
<b>29.</b> 029	1	2	3	4	5	6	7	8
<b>30.</b> 030	1	2	3	4	5	6	7	8
<b>31.</b> 031	1	2	3	4	5	6	7	8
<b>VOLUNTARY</b> Complete if total purchases of the given type of service are \$1,000,000 or less.								
<b>32. All countries, total</b> → 032	1	2	3	4	5	6	7	8
<b>BEA USE ONLY</b> 033	1	2	3	4	5	6	7	8

**NOTE** – If total (cross-border) purchases of a given type of service exceed \$1 million, you must complete the MANDATORY section above, and line 32 must be left blank.



## SCHEDULE C – U.S. REPORTER'S PURCHASES OF FINANCIAL SERVICES FROM UNAFFILIATED FOREIGN PERSONS

The mandatory section is **required** to be completed if your total purchases of financial services exceed \$1,000,000.

The voluntary section is **requested** to be completed if your total purchases of financial services are \$1,000,000 or less.

This schedule covers direct **purchases** from foreigners of financial services by U.S. firms that are **not** financial services intermediaries or providers. For example, financial services purchased directly from foreigners by a U.S. manufacturing firm are covered, but services purchased by a U.S. bank or other U.S. financial services intermediary or provider are not covered.

For a consolidated U.S. enterprise that is comprised of both financial and nonfinancial subsidiaries, this schedule pertains **only** to transactions of the subsidiaries that are not financial services intermediaries or providers. Thus, for example, an auto manufacturer that owns a finance company should complete the financial services questions only for the manufacturing part of the firm.

Although financial services intermediaries are exempt from reporting on this schedule, they must report their purchases and sales of nonfinancial services on the other BE-22 schedules, and must report their purchases and sales of financial services on BEA surveys of financial services transactions between financial services providers and unaffiliated foreign persons, as appropriate.

U.S. financial services intermediaries or providers that are exempt from reporting on this schedule are: Depository institutions; nondepository credit institutions; security and commodity brokers, dealers, exchanges, and services providers; insurance carriers and pension funds; insurance agents, brokers, and services providers; investment offices, trusts, oil royalty traders, patent owners and lessors, and real estate investment trusts; and holding companies of financial services intermediaries. This list is similar to the finance and insurance part of Division H in the 1987 Standard Industrial Classification Manual, except that Division H includes all holding companies, not just holding companies of financial services intermediaries.

**Column (3), Credit-related fees** – Include fees for establishing, maintaining, or arranging credits, letters of credit, bankers acceptances, mortgages, factoring services, loan guarantees, etc., that are commonly provided by foreign banking establishments.

Include fees paid directly and fees that are withheld or deducted from your proceeds by the foreign person. For example, for factoring services, the fee may be calculated as the difference between the proceeds you received from the sale of your receivables and the face amount of the receivables sold; for arranging credits, letters of credit, etc., it may be calculated as the difference between the proceeds you received from the loan, letter of credit, etc. (after deduction of the fee) and your liability to the foreign lending establishment. Report credit-related fees in the accounting period in which they are incurred, whether or not expensed in that accounting period.

**Exclude** interest on your obligations, because interest is a payment for the use of loan proceeds and is not a fee for the establishment, maintenance, or arrangement of credit.

**Column (4), Fees on securities transactions** – Include commissions and other fees for securities transactions (including transactions in derivatives) or futures trading, such as brokerage, underwriting, private placements, etc. Fees for such services would commonly be paid to foreign investment banks and securities brokers or dealers.

Include fees that can be calculated from transactions records or other documentation issued by the investment bank or security broker or dealer. Omit, rather than attempt to estimate, these fees if they cannot be calculated from such documentation. (For example, a dealer's markup on bond purchases and sales cannot be directly estimated from transactions records issued by a securities dealer.)

**Column (5), Fees for other financial services** – Include fees for asset/liability management, debt renegotiation, and other financial services. **Exclude leasing.** (Report computer leasing in the BE-22 service category, "Operational leasing services.") **Exclude real estate management services.** (Report such services in the BE-22 service category, "Management, consulting, and public relations services.") For entries in this column, describe on the back of Schedule C the type of financial service that accounts for the largest share of the data reported.



**SCHEDULE C – U.S. REPORTER’S PURCHASES OF FINANCIAL SERVICES FROM UNAFFILIATED FOREIGN PERSONS**

**NOTE** – Total purchases of financial services are calculated as the sum of columns (3) through (5)

PAYMENTS TO	BEA USE ONLY		REPORT IN THOUSANDS OF U.S. DOLLARS				
	(1)	(2)	Credit-related fees (3)	Fees on securities transactions (4)	Fees for other financial services (Specify largest type on reverse side of this schedule.) (5)		
<b>MANDATORY</b> Complete if total purchases of financial services exceed \$1,000,000.							
<b>1. All countries, total</b> → C0001	1	2	3	4	5		
<b>2. Australia</b> 002	1	2	3	4	5		
<b>3. Belgium</b> 003	1	2	3	4	5		
<b>4. Brazil</b> 004	1	2	3	4	5		
<b>5. Canada</b> 005	1	2	3	4	5		
<b>6. France</b> 006	1	2	3	4	5		
<b>7. Germany</b> 007	1	2	3	4	5		
<b>8. Hong Kong</b> 008	1	2	3	4	5		
<b>9. Israel</b> 009	1	2	3	4	5		
<b>10. Italy</b> 010	1	2	3	4	5		
<b>11. Japan</b> 011	1	2	3	4	5		
<b>12. Luxembourg</b> 012	1	2	3	4	5		
<b>13. Mexico</b> 013	1	2	3	4	5		
<b>14. Netherlands</b> 014	1	2	3	4	5		
<b>15. Philippines</b> 015	1	2	3	4	5		
<b>16. Saudi Arabia</b> 016	1	2	3	4	5		
<b>17. South Korea</b> 017	1	2	3	4	5		
<b>18. Spain</b> 018	1	2	3	4	5		
<b>19. Sweden</b> 019	1	2	3	4	5		
<b>20. Switzerland</b> 020	1	2	3	4	5		
<b>21. Taiwan</b> 021	1	2	3	4	5		
<b>22. United Kingdom</b> 022	1	2	3	4	5		
<b>23. Venezuela</b> 023	1	2	3	4	5		
<b>Other — Specify</b> (Use additional copied sheets as necessary)	1	2	3	4	5		
<b>24.</b> 024							
<b>25.</b> 025	1	2	3	4	5		
<b>26.</b> 026	1	2	3	4	5		
<b>27.</b> 027	1	2	3	4	5		
<b>28.</b> 028	1	2	3	4	5		
<b>29.</b> 029	1	2	3	4	5		
<b>30.</b> 030	1	2	3	4	5		
<b>31.</b> 031	1	2	3	4	5		
<b>VOLUNTARY</b> Complete if total purchases of financial services are \$1,000,000 or less.							
<b>32. All countries, total</b> → 032	1	2	3	4	5		
<b>BEA USE ONLY</b> 033	1	2	3	4	5		

**NOTE** – If total (cross-border) purchases of all types of financial services combined (the sum of columns 3 through 5) exceed \$1 million, you must complete the MANDATORY section above, and line 32 must be left blank.







## GENERAL INSTRUCTIONS

**Purpose** – Reports on this form are required in order to obtain reliable and up-to-date information on selected services transactions between U.S. persons and unaffiliated foreign persons. The information will be used to help support trade negotiations, formulate U.S. policy, and analyze the impact of that policy and the policies of foreign countries, on international trade in services. The data will also be used in compiling the U.S. balance of payments and national income and product accounts.

**Authority** – This survey is being conducted under the authority of the International Investment and Trade in Services Survey Act (P.L. 94-472, 90 Stat. 2059, 22 U.S.C. 3101-3108, as amended – hereinafter "the Act"), and the filing of reports is mandatory under Section 5(b)(2) of the Act (22 U.S.C. 3104). Regulations for the survey may be found in 15 CFR Part 801.

**Penalties** – Whoever fails to report may be subject to a civil penalty of not less than \$2,500, and not more than \$25,000, and to injunctive relief commanding such person to comply, or both. Whoever willfully fails to report shall be fined not more than \$10,000 and, if an individual, may be imprisoned for not more than one year, or both. Any officer, director, employee, or agent of any corporation who knowingly participated in such violations, upon conviction, may be punished by a like fine, imprisonment, or both (See 22 U.S.C. 3105). Notwithstanding the above, a U.S. person is not subject to any penalty for failure to report if a valid Office of Management and Budget (OMB) control number is not displayed on the form; such a number (0608-0060) is displayed on this form.

**Confidentiality** – The Act provides that your report to this Bureau is CONFIDENTIAL and may be used only for analytical or statistical purposes. Without your prior written permission, the information filed in your report CANNOT be presented in a manner that allows it to be individually identified. Your report CANNOT be used for purposes of taxation, investigation, or regulation. Copies retained in your files are immune from legal process.

### NOTES –

1. A single original copy of this report must be filed with the Bureau of Economic Analysis (BEA); please use the copy with the address label if such a labeled copy has been provided.
2. Currency amounts should be reported in U.S. dollars rounded to thousands (omitting 000). **EXAMPLE** - If the amount is \$1,000,000, report as \$1,000. Amounts less than \$500.00 round to "0" and should, therefore, be omitted.

### I. WHO IS TO REPORT AND GENERAL COVERAGE

#### A. Who is to report and transactions to be reported

1. **Mandatory reporting** – A BE-22 report is **required** from each U.S. person that had transactions (either sales or purchases) in excess of \$1,000,000 with unaffiliated foreign persons in any of the services listed in VII. of these General Instructions during the U.S. person's fiscal year.

The determination of whether a U.S. person is subject to this mandatory reporting requirement may be judgmental, that is, based on the judgement of knowledgeable persons in a company who can identify reportable transactions on a recall basis, with a reasonable degree of certainty without conducting a detailed manual records search. The "Optional Checklist" (Supplement A) described in IV. of the General Instructions may be used to facilitate data collection from the various parts of the reporter's organization.

Reporters who must file pursuant to this mandatory reporting requirement must complete Parts I and II of the form and all applicable schedules. The total amounts of transactions applicable to a particular schedule are to be entered in the appropriate column(s) on line 1 of the schedule. In addition, these amounts must be distributed below line 1 to the country(ies) involved in the transaction(s).

2. **Voluntary reporting** – If, during the U.S. person's fiscal year, the U.S. person's total transactions (either sales or purchases) in any of the types of services listed in VII. of these General Instructions are \$1,000,000 or less, the U.S. person is requested to provide an estimate of the total for each type of service. Provision of this information is voluntary. The estimates may be judgmental, that is, based on recall, without conducting a detailed manual records search.

The total amounts of transactions applicable to a particular schedule are to be entered in the appropriate column(s) on line 32 of the schedule. (If information on the countries of the transactions is available, the transactions may instead be reported by country in the mandatory section; however, disaggregation by country is not required.) Reporters who elect to file pursuant to the voluntary reporting option must complete Parts I and II of the form.

3. **Exemption** – A U.S. person receiving this form from BEA that is not required to report data in the mandatory section of any schedule, and that elects not to report data in the voluntary section of any schedule, must complete the "Person to Consult" and certification sections on page 1 and the exemption claim on page 2 of the form.

#### B. BE-22 definition of sales (receipts) or purchases (payments)

It should be noted that an item other than sales or purchases may be used as the measure of a given service for purposes of determining whether the threshold for mandatory reporting of the service is exceeded. Note that in several cases – advertising; telecommunications; performing arts, etc.; miscellaneous disbursements (services numbered 15–21 in VII. of these General Instructions); and rights to natural resources (services numbered 13 and 14) – measures other than, or in addition to, sales or purchases of services should be used. See VII. of these General Instructions for an explanation of what measure should be applied in determining whether you are subject to the BE-22 survey's mandatory reporting requirements for a given service.

#### C. Clarification of coverage and special situations

1. **Reporting period** – Form BE-22 is an annual report; one report is to be filed for each fiscal year of the U.S. Reporter. The Reporter's fiscal year is its financial reporting year that has an ending date in a given calendar year. (See **Definitions, II.M.**)
2. **Date of recording transactions** – Except for telecommunications services, transactions are to be reported on an accrual basis. Telecommunications transactions are to be reported on a settlements basis.
3. **Withholding taxes** – Data should be reported gross of U.S. and foreign withholding taxes.
4. **Services covered regardless of where performed** – Services sold to, or purchased from, unaffiliated foreign persons should be reported regardless of whether the services were performed in the United States or abroad.
5. **Services bundled with goods or with other services and not separately valued** – When a sale or purchase consists of both goods and services, or of several services, that cannot be unbundled (i.e., the goods and/or services are not separately valued), it should be classified based on whichever accounts for a majority of the value or on the basis of the Reporter's customary practice.
6. **Accounting for purchases** – Purchases of services should be included without regard to whether they are charged as an expense on the income statement, capitalized, or charged to inventories.
7. **Partnerships** – A partnership is a business enterprise and must report if it has covered transactions. The report must be for, and the data and information must cover, the partnership as a whole, not just the activities of an individual partner.
8. **Contractor reporting responsibility** – On all schedules, U.S. prime contractors are to report the full value of a transaction (contract) with an unaffiliated foreign person. U.S. subcontractors, including independent consultants, to a U.S. prime contractor are not to report their share of a contract with an unaffiliated foreign person.
9. **Projects with U.S. Government nonmilitary agencies** – Report information on services that are provided abroad for U.S. Government nonmilitary agencies, such as the Agency for International Development and the United States Information Agency, or that are part of an aid or technical cooperation program of the Government with foreign persons. However, do not report services provided to the U.S. Department of Defense or any of its agencies, such as the Army Corps of Engineers.
10. **International organizations** – Report transactions with international organizations, which, according to balance of payments conventions, are considered unaffiliated foreign persons even if they are headquartered in the United States. Enter the abbreviated designation, "Int'l Org.", as the name of the country the project is with.



## GENERAL INSTRUCTIONS – Continued

### D. Consolidation

If the U.S. Reporter is a corporation, Form BE-22 is required to cover reportable transactions for the fully consolidated U.S. domestic enterprise consisting of (i) the U.S. corporation whose voting securities are not owned more than 50 percent by another U.S. corporation, and, proceeding down each ownership chain from that U.S. corporation, (ii) any U.S. corporation (including a Foreign Sales Corporation located in the United States) whose voting securities are more than 50-percent owned by the U.S. corporation above it.

The fully consolidated U.S. domestic enterprise excludes foreign branches and other foreign affiliates.

Conditions may exist that would lead a U.S. corporation to exclude certain majority-owned (more than 50-percent owned) domestic subsidiaries from financial statements used in reports to shareholders. If such a subsidiary has covered transactions, it must file a report under its own name, and the subsidiary will be considered the U.S. Reporter for purposes of completing that form. The U.S. owner, however, is responsible for ensuring that the required Forms BE-22, both for itself and for the subsidiary, are filed with BEA on a timely basis. Such a subsidiary's filing deadline is the same as that of its U.S. owner.

## II. DEFINITIONS

**A. Services** mean economic activities whose outputs are other than tangible goods. This term includes, but is not limited to, banking, other financial services, insurance, transportation, communications and data processing, retail and wholesale trade, advertising, accounting, construction, design, engineering, management consulting, real estate, professional services, entertainment, education, and health care.

**B. U.S. Reporter** is the U.S. person filing a report in this survey (see I.D. for further clarification).

**C. United States**, when used in a geographic sense, means the several States, the District of Columbia, the Commonwealth of Puerto Rico, and all territories and possessions of the United States.

**D. Foreign**, when used in a geographic sense, means that which is situated outside the United States or which belongs to or is characteristic of a country other than the United States.

**E. Person** means any individual, branch, partnership, associated group, association, estate, trust, corporation, or other organization (whether or not organized under the laws of any State), and any government (including a foreign government, the United States Government, a State or local government, and any agency, corporation, financial institution, or other entity or instrumentality thereof, including a government sponsored agency).

**1. United States person** means any person resident in the United States or subject to the jurisdiction of the United States.

**2. Foreign person** means any person resident outside the United States or subject to the jurisdiction of a country other than the United States.

**F. Business enterprise** means any organization, association, branch or venture which exists for profitmaking purposes or to otherwise secure economic advantage, and any ownership of any real estate. (A business enterprise is a "person" within the definition in paragraph E above.)

**G. Direct investment** means the ownership or control, directly or indirectly, by one person of 10 per centum or more of the voting securities of an incorporated business enterprise or an equivalent interest in an unincorporated business enterprise.

**H. Parent** means a person of one country who, directly or indirectly, owns or controls 10 per centum or more of the voting stock of an incorporated business enterprise, or an equivalent ownership interest in an unincorporated business enterprise, which is located outside that country.

**1. U.S. parent** means the U.S. person that has direct investment in a foreign business enterprise.

**2. Foreign parent** means the foreign person, or the first person outside the United States in a foreign chain of ownership, which has direct investment in a U.S. business enterprise, including a branch.

**I. Affiliated foreign group** means (i) the foreign parent, (ii) any foreign person, proceeding up the foreign parent's ownership chain, which owns more than 50 per centum of the person below it up to and including that person which is not owned more than 50 per centum by another foreign person, and (iii) any foreign person, proceeding down the ownership chain(s) of each of these members, which is owned more than 50 per centum by the person above it.

**J. Affiliate** means a business enterprise located in one country which is directly or indirectly owned or controlled by a person of another country to the extent of 10 per centum or more of its voting stock for an incorporated business or an equivalent interest for an unincorporated business, including a branch.

**1. Foreign affiliate** means an affiliate located outside the United States in which a U.S. person has direct investment.

**2. U.S. affiliate** means an affiliate located in the United States in which a foreign person has direct investment.

**K. Affiliated foreign person** means, with respect to a given U.S. person, (i) a foreign affiliate of which the U.S. person is a U.S. parent, or (ii) the foreign parent or other member of the affiliated foreign group of which the U.S. person is a U.S. affiliate.

**L. Unaffiliated foreign person** means, with respect to a given U.S. person, any foreign person that is not an affiliated foreign person as defined in paragraph K above.

**M. Fiscal year** is the U.S. Reporter's financial reporting year that has an ending date in calendar year 1999.

**N. Country** means, for purposes of this survey, the country of location of the foreign person with whom a transaction has occurred.

## III. GUIDELINES FOR CATEGORIZING ACTIVITIES

### A. Distinguishing between unaffiliated and affiliated transactions

This survey covers U.S. persons' direct services transactions, both sales and purchases, with unaffiliated foreign persons – that is, with foreign persons that are neither the foreign affiliate nor the foreign parent of the U.S. person filing the report. For definitions of terms, see II. above.

Examples of reportable transactions are:

1. A transaction between a U.S. person and an unaffiliated foreign person.
2. A transaction between one U.S. person and another U.S. person's foreign affiliate. Such a transaction is reportable by the first U.S. person.
3. A transaction between a U.S. parent of a foreign affiliate, or a U.S. affiliate of a foreign parent, and an unaffiliated foreign person (whether or not the latter is affiliated with other U.S. persons). Such a transaction is reportable by the U.S. parent or the U.S. affiliate.

Examples of transactions that are **not** reportable are:

1. A transaction between a U.S. person (U.S. parent) and its foreign affiliate.
2. A transaction between a U.S. person (U.S. affiliate) and its foreign parent or other member of the affiliated foreign group.
3. A transaction between a U.S. person's foreign affiliate and another foreign person. Such a transaction is not reportable because it is a foreign-to-foreign transaction.
4. A transaction between a U.S. person and another U.S. person (whether or not either or both parties are affiliated with foreign persons). Such a transaction is not reportable because it is a U.S.-to-U.S. transaction.

Transactions between U.S. parents and their foreign affiliates, and between foreign affiliates and other foreign persons, are already reportable in the surveys of U.S. direct investment abroad (BE-10, BE-11, and BE-577). Transactions between U.S. affiliates and their foreign parents or other members of their affiliated foreign groups are already reportable in the surveys of foreign direct investment in the United States (BE-12, BE-13, BE-15, BE-605, and BE-605 Bank).



## GENERAL INSTRUCTIONS – Continued

### B. Foreign activities of a U.S. person that do not constitute a foreign affiliate

Transactions with unaffiliated foreign persons by or through a foreign "activity" of a U.S. person that is not a foreign affiliate must be reported on the BE-22, if the activities are in covered types of services. Any of the services covered by this survey may also be provided at a foreign location through a foreign affiliate. Such transactions are not reportable in this survey. Before completing this survey, therefore, reporters must determine whether or not the services are conducted through a foreign activity that is not a foreign affiliate or through a foreign affiliate.

Although the definitions of direct investment and foreign affiliate in II. above, together with the discussion in III.A. above, should be sufficient to determine whether a given foreign activity is or is not a foreign affiliate, in a number of cases the determination may be difficult. Several factors to be considered are given below. If you still cannot determine if the activity or operation is an affiliate, call (202) 606-5588 for additional guidance. Also, if you think that an activity or operation currently reported as an affiliate is incorrect, please call and a determination of future reporting status will be made.

If a U.S. person's foreign activity or operation is incorporated abroad, it is a foreign affiliate.

If a U.S. person's foreign activity or operation is **not** incorporated abroad, its status is based on the weight of the evidence when the factors listed below are considered.

An unincorporated foreign activity or operation generally **would** be considered a foreign affiliate if it: (i) pays foreign income taxes; (ii) has a substantial physical presence abroad (e.g., plant and equipment or employees); (iii) maintains separate financial records that would permit the preparation of financial statements, including an income statement and balance sheet (not just a record of disbursements and receipts); (iv) takes title to the goods it sells and receives revenues therefrom; or (v) receives funds for its own account from customers for services it performs.

An unincorporated foreign activity or operation generally **would not** be considered a foreign affiliate if it: (i) conducts business abroad only for the U.S. person's account and not for its own account (e.g., sales promotion or public relations type of activities); (ii) has no separate financial statements; (iii) receives funds to cover its expenses only from the U.S. person; (iv) pays no foreign income taxes; and (v) has limited physical assets, or employees, permanently located abroad.

**Note** that a diverse group of activities that do not constitute foreign affiliates are covered by services numbered 15-21 in VII. of these General Instructions. For activities that are covered by these services, the respondent is asked to provide a breakdown by country of the total amount of the funding for these activities.

### C. U.S. activities of a foreign person that do not constitute a U.S. affiliate

Criteria for determining which U.S. activities do or do not constitute a U.S. affiliate of a foreign person are parallel to those in III.B. above.

### D. Determining who must report a transaction when an intermediary is involved

At times, transactions between a U.S. person and an unaffiliated foreign person may be arranged by, billed through, or otherwise facilitated by, an intermediary. The intermediary may be U.S. or foreign, and may be affiliated or unaffiliated with the U.S., or the foreign, person.

A determination of who a sale is to, or who a purchase is from, shall be made on the basis of who the U.S. person considers itself to have a claim on for payment, in the case of a sale, or who it has a liability to, in the case of a purchase. For a sale, if the U.S. person looks to the unaffiliated foreign person for payment, then the transaction is between the U.S. person and unaffiliated foreign person, and is to be reported by the U.S. person. If the U.S. person looks to the intermediary for payment, and the intermediary, in turn, looks to the foreign person for payment, then whether either transaction is reportable, and who it is to be reported by, depends on the location of the intermediary and the relationship between the U.S. person and the intermediary.

If the intermediary is a foreign person, then the U.S. person would report the transaction, provided the intermediary is not affiliated with the U.S. person. (If they are affiliated, then the transaction is not reportable in this survey.)

If the intermediary is a U.S. person, then the initial transaction between the original U.S. person and the intermediary is domestic-to-domestic and not reportable in the survey. However, the intermediary must report the transaction with the foreign person, provided the intermediary is not affiliated with the foreign person. (If they are affiliated, then the transaction is not reportable in this survey.)

The reportability of a purchase would be determined in a similar manner.

### IV. OPTIONAL CHECKLIST OF SERVICES TRANSACTIONS BETWEEN COMPANY UNIT AND UNAFFILIATED FOREIGN PERSONS

For the convenience of reporters, an "Optional Checklist" is provided in Supplement A, to help diversified companies determine, without a records search, whether or not the "parts" or units of the company had reportable services transactions, either sales or purchases, with unaffiliated foreign persons in the fiscal year.

If, for any sales or purchases category, a "part" or unit of the company answers "Yes" to the question of whether it had a transaction in a particular type of service, that "part" or unit must be included in the company's report under the survey's mandatory reporting requirement if the U.S. Reporter's total transactions in that service exceed \$1,000,000. (See I.A.1. of these General Instructions.) Even if the U.S. Reporter's total transactions are \$1,000,000 or less, a "Yes" answer to the question of whether the "part" or unit had any transactions can be used to help determine if the transactions of that "part" or unit should be included in the company's report on a voluntary basis. (See I.A.2. of these General Instructions.)

Companies should reproduce the checklist for distribution to their "parts" or units if they decide to use it in preparing their reports. The checklist is optional; it is for the internal use of reporters only and should not be returned to BEA with Form BE-22.

Some companies may find it advantageous to adapt the "Optional Checklist" to accommodate their own particular corporate structure or data collection procedures.

### V. RELATED FORMS

Persons receiving this form should be aware of nine other forms on services that are required to be filed on a mandatory basis with BEA (see 15 CFR, Part 801, Section 9).

- BE-20** Benchmark Survey of Selected Services Transactions With Unaffiliated Foreign Persons
- BE-29** Foreign Ocean Carriers' Expenses in the United States
- BE-30** Ocean Freight Revenues and Foreign Expenses of United States Carriers
- BE-36** Foreign Airline Operators' Revenues and Expenses in the United States
- BE-37** U.S. Airline Operators' Foreign Revenues and Expenses
- BE-47** Annual Survey of Construction, Engineering, Architectural, and Mining Services Provided by U.S. Firms to Unaffiliated Foreign Persons
- BE-48** Annual Survey of Reinsurance and Other Insurance Transactions by U.S. Insurance Companies with Foreign Persons
- BE-80** Benchmark Survey of Financial Services Transactions Between U.S. Financial Services Providers and Unaffiliated Foreign Persons
- BE-82** Annual Survey of Financial Services Transactions Between U.S. Financial Services Providers and Unaffiliated Foreign Persons
- BE-93** Annual Survey of Royalties, License Fees, and Other Receipts and Payments for Intangible Rights Between U.S. and Unaffiliated Foreign Persons

The types of transactions reportable on those forms are not covered by this survey. To receive a copy of form BE-29, BE-30, BE-36, or BE-37, telephone BEA at (202) 606-9559. To receive a copy of form BE-20, BE-47, BE-48, BE-80, BE-82, or BE-93, telephone BEA at (202) 606-5588.



## GENERAL INSTRUCTIONS – Continued

### VI. REPORTING PROCEDURES

- A. Due date** – A completed BE-22 is due on March 31, 2000.
- B. Fiscal year reporting period** – This report covers fiscal year 1999, which is your most recent fiscal year that ended on or before December 31, 1999. If your most recent fiscal year ended after December 31, 1999, please call for assistance.
- C. Extension** – Requests for an extension of the reporting deadline will not normally be granted. However, in a hardship case, a written request for an extension will be considered if it is received at least 15 days before the due date. BEA will provide a written response to such a request.
- D. For assistance or additional copies of the forms** – Phone (202) 606-5588 between 8:00 a.m. and 4:00 p.m., eastern time.
- E. Original and file copies** – A single original copy of each form or schedule must be filed with BEA. Please use the copy with the address label if such a labeled copy has been provided. In addition, each U.S. Reporter must retain a copy of its report to facilitate resolution of problems; these copies should be retained by the U.S. Reporter for a period of not less than 3 years beyond the form's original due date.
- F. Where to send the report** – Send reports filed by mail through the U.S. Postal Service to:

U.S. Department of Commerce  
Bureau of Economic Analysis  
BE-50(SSB)  
Washington, DC 20230.

Address report filed by direct private express delivery to:

U.S. Department of Commerce  
Bureau of Economic Analysis, BE-50(SSB)  
Shipping & Receiving Section M-100  
1441 L Street, N.W.  
Washington, DC 20005

- G. Estimates** – If actual figures are not available, report estimates and label them as such. When data items cannot be fully subdivided as required, report totals and an estimated breakdown of the totals.

### VII. SERVICES COVERED

*Report sales of services numbered 1–20 and 26–28 on Schedule A, and report purchases of services numbered 1–24, 27, and 28 on Schedule B. Report purchases of financial services (service number 25) on Schedule C.*

- 1. Advertising services** – Preparation of advertising and placement of such advertising in media, including charges for media space and time. An advertising agency selling such services should report **gross billings** to unaffiliated foreigners. Sales by media companies (e.g. broadcasters, publishers, etc.) that are arranged through U.S. advertising agencies are presumed to be reflected in billings of the advertising agencies; thus, in order to avoid duplication, they should not be reported by the media suppliers. U.S. advertising agencies should report only direct transactions with unaffiliated foreign clients. Exclude transactions that are with the U.S. affiliates of foreign clients, rather than directly with foreign clients; such transactions are considered domestic (U.S.-to-U.S.) and are, therefore, outside the scope of this survey. Exclude charges for services other than advertising, such as public relations services or market research not directly associated with an advertising campaign. Such services should be reported under service number 6. U.S. media companies should report only direct sales of advertising services to unaffiliated foreign persons; they should not report advertising arranged by U.S. advertising agencies, including U.S. affiliates of foreign advertising agencies.

Under **purchases** of advertising services, U.S. Reporters that are advertising agencies should report only funds paid to foreign advertising agencies and media companies on behalf of its clients. U.S. Reporters other than advertising agencies should report only purchases made directly from foreign advertising agencies and media companies. Do not report purchases made through a U.S. advertising agency. Also, do not report purchases made through the U.S. office of a foreign advertising agency if your payment is made to the U.S. office.

Include the value of reciprocal exchanges; i.e., transactions involving barter. On Schedule A, value your sales to the foreign participant in the reciprocal exchange at market rates, not at the actual cost of performing the services. On Schedule B, value your purchases from the foreign participant at the same amount as the sales reported on Schedule A.

- 2. Computer and data processing services** – Data entry processing (both batch and remote), and tabulation; computer systems analysis, design, and engineering; custom software and programming services; integrated hardware/software systems; and other computer services (e.g., timesharing, maintenance, and repair). Exclude the following:

- (a) Operational leasing of computer and data processing equipment – report under service 27, Operational leasing
- (b) Rights to use, distribute, or reproduce general use software – report on Form BE-93, Annual Survey of Royalties, License Fees, and Other Receipts and Payments for Intangible Rights Between U.S. and Unaffiliated Foreign Persons
- (c) Prepackaged computer software physically shipped to or from the United States and reported on the import or export declaration filed with the U.S. Customs Service

- 3. Data base and other information services** – Business and economic data base services, including business news, stock quotation, and financial information services; medical, legal, technical, demographic, bibliographic, and similar data base services; general news services, such as those purchased from a news syndicate; and other information services, including reservation systems and credit reporting and authorization systems. For airline reservation systems, includes booking fees from foreign carriers for the use of your reservation system, whether accessed directly or by a U.S. or foreign travel agent.

- 4. Telecommunications services** – Includes services of the following types (to be reported in a single column, rather than as five separate types of services):

**Message telephone services, telex, telegram, and other jointly provided basic services** – On Schedule A, report receipts from foreign persons (communications companies and postal, telephone, and telegraph agencies) for your share of revenues for transmitting messages originating abroad to U.S. destinations. On Schedule B, report payouts to foreign persons (communications companies and PTT's) for their share of revenues for transmitting messages originating in the United States to foreign destinations. For messages originating in foreign countries and routed through the United States (for example, from Caribbean countries via the United States to Western Europe), report receipts from the foreign person originating the message and payouts to the country of destination. Also report receipts for transmitting messages between foreign points when not offered in connection with enhanced services, and other regulated services of the type reportable to the FCC on Report 43.61.

**Private leased channel services** – On Schedule A, report receipts from foreign persons for circuits and channels terminating in the United States and for circuits and channels between foreign points. On Schedule B, report payouts to foreign persons (communications companies and PTT's) for leased channels and circuits terminating in foreign countries.

**Value-added (enhanced) services** – Telecommunications services that add value or function above and beyond the telecommunications transport services that deliver the value-added services to end users. They can include (a) electronic mail, voice mail, code and protocol processing, and management and operation of data networks; (b) facsimile services and video-conferencing; (c) Internet connections (including Internet backbone and router services); and (d) other value-added (enhanced) services. (Facsimile services and video-conferencing should be considered as value-added only if the company provides the facilities and equipment; a company that provides solely the telecommunications transmission for these services should report receipts and payouts on Schedules A and B).

**Support services** – Services related to the maintenance and repair of telecommunications equipment; ground station services (where the ground station is not an "affiliate"); capacity leasing for transiting; and launching of communications satellites.

**Reciprocal exchanges** – Include the value of reciprocal exchanges; i.e., transactions involving barter. On Schedule A, value your sales to the foreign participant in the reciprocal exchange at market rates, not at the actual cost of performing the services. On Schedule B, value your purchases from the foreign participant at the same amounts as the sales reported on Schedule A.

- 5. Research, development, and testing services** – Commercial and noncommercial research, product development services, and testing services. Includes fees for the conduct of experiments or performance of research and development activities aboard spacecraft. Excludes medical and dental laboratory services.



## GENERAL INSTRUCTIONS - Continued

- 6. Management, consulting, and public relations services** – Management services, except management of health care facilities; consulting services, except consulting engineering services related to actual or proposed construction or mining services projects (report purchases under service number 24, and report sales on BEA Form BE-47 – see V. of these General Instructions) and computer consulting (report under service number 2); and public relations services, except those that are an integral part of an advertising campaign (report under service number 1). Excludes management and operation of a business where operating staff as well as management is provided. (Generally, such operations would be deemed to constitute a U.S. affiliate to be reported on BEA's direct investment surveys rather than on this survey.)
- 7. Accounting, auditing, and bookkeeping services** – Excludes data processing and tabulation services (report under service number 2).
- 8. Legal services** – Legal advice or other legal services. Insurance companies should include fees paid as compensation for claims adjustment services.
- 9. Educational and training services** – Educational or training services provided on a contract or fee basis. Excludes tuition and fees charged to individual U.S. or foreign students by educational institutions. Also excludes training done by a manufacturer in connection with the sale of a good (reportable under service number 11).
- 10. Industrial engineering services** – Engineering services related to the design of movable products, including product design services. Excludes engineering and architectural services that relate to immovable products, such as those that relate to actual or proposed construction or mining services projects (report purchases under service number 24, and report sales on BEA Form BE-47 – see V. of these General Instructions). Excludes computer systems engineering (reportable under service number 2). Includes, however, services performed with the assistance of computers, such as computer-assisted design work.
- 11. Industrial-type maintenance, installation, alteration, and training services** – Maintenance services primarily to machinery and equipment. May also include small maintenance work on buildings, structures, dams, highways, etc., but only to the extent that the work is not reported under service number 24. Would include such services as the periodic overhaul of turbines, the extinguishment of natural gas well fires, and refinery maintenance. Excludes computer maintenance (report under service number 2). Installation and training services include only installation, startup, and training services provided by a manufacturer in connection with the sale of a good. Do not include such services where the cost is included in the price of the goods and not separately billed, or is declared as a part of the price of the goods on the import or export declaration filed with the U.S. Customs Service; however, services provided at a price over and above that entered on the declaration should be included. These services would be reported elsewhere if not received in connection with the purchase of goods. For example, installation of machinery and equipment is normally considered a construction activity, and training personnel in the use of new machinery would ordinarily be reported as an educational or training service.
- 12. Performing arts, sports, and other live performances, presentations, and events** – Fees received (net of allowances for foreign expenses) or paid (net of allowances for U.S. expenses) for performing arts, sports, etc. To be reported by (a) U.S. management companies, booking agents, promoters, and presenters who received funds from or paid funds to foreign persons, for performances and events, and (b) U.S. performers who received funds directly from a foreign person rather than through a U.S. management company or similar entity. (As used here, "performers" means entertainers, sports teams, orchestras, dance companies, lecturers, and similar persons or performing groups.)
- 13. Sale or purchase of rights to natural resources, and lease bonus payments** – Receipts from the sale of, or payments for the acquisition of, rights to natural resources located in the United States and abroad, and lease bonus payments. Excludes sales or purchases of rights to surface land.
- 14. Use or lease of rights to natural resources, excluding lease bonus payments** – Receipts or payments for the use of rights to natural resources located in the United States and abroad, including oil or mining production royalties. Excludes lease bonus payments (reportable under service number 13) and sales or purchases of rights to surface land.
- Note for services numbered 15-21:** Where a set of related expenditures was made in several countries, but your recordkeeping does not permit a precise allocation of expenses among individual countries, estimates are acceptable. If no basis for such estimates exists, then it is permissible to record the expenditures against the country in which the activities were centered or headquartered. For example, a news correspondent may conduct news-gathering activities in several countries. Although it would be preferable to report news-gathering expenses in each of the several countries, all of the expenses may, if necessary, be recorded against the country where the foreign news bureau is headquartered, or where the correspondent had the largest outlays.
- 15. Disbursements to fund news-gathering costs of broadcasters** – U.S. broadcasters' outlays to fund operations of their foreign news bureaus and for support of correspondents in foreign countries, and foreign broadcasters' outlays to fund operations of their U.S. news bureaus and for support of correspondents in the United States. (See note above.)
- 16. Disbursements to fund news-gathering costs of print media** – Outlays by U.S. newspapers, news syndicates, and news magazines for the operation of their foreign news bureaus, and outlays by foreign newspapers, news syndicates, and news magazines for the operation of their U.S. news bureaus. (See note above service number 15.)
- 17. Disbursements to fund production costs of motion pictures** – Foreign production costs of U.S. motion picture companies, and U.S. production costs of foreign motion picture companies. (See note above service number 15.)
- 18. Disbursements to fund production costs of broadcast program material other than news** – Foreign production costs of U.S. companies engaged in the production of broadcast material other than news, and U.S. production costs of foreign companies engaged in the production of broadcast material other than news. (See note above service number 15.)
- 19. Disbursements to maintain government tourism and business promotion offices** – Funding to maintain State tourism and business promotion offices located abroad, and funding to maintain foreign government sponsored tourism and business promotion offices located in the United States. (See note above service number 15.)
- 20. Disbursements for sales promotion and representation** – Funding to maintain sales promotion and representative offices, and commissions or "finder's fees" to unaffiliated (independent) sales agents. Sales promotion offices typically have few assets other than office furniture; to the extent that their employees are compensated by commissions, the commissions arise only from sales or business that the employees generate for their U.S. or foreign parents; they do not produce revenue, other than funds from their parents to cover their expenses; and they are engaged only in sales promotion, representational, public-relations-type activities, or the gathering of market information, on behalf of their parents. If an office produces revenues for its own account from goods or services it provides to unaffiliated persons, then it is considered a U.S. or foreign affiliate and is subject to the reporting requirements for BEA's direct investment surveys. (See note above service number 15.)
- 21. Disbursements to participate in foreign trade shows (outlays only)** – Foreign expenses incurred by U.S. persons participating in foreign trade shows. (See note above service number 15.)
- Note for services numbered 22 and 23:** When you report either service number 22 or 23, also report the other service. If there are transactions in one of these services but not in the other, label a column in Schedule B with the number for the other service and enter "NA" in line 1 or 32.
- 22. Primary insurance premiums (purchases only)** – Premiums (net of cancellations) paid to unaffiliated foreign insurance carriers. A U.S. Reporter should not report direct transactions with a foreign insurance company that is its foreign affiliate; such transactions are to be reported on direct investment survey BE-577. A U.S. Reporter should, however, report direct transactions with a foreign insurance company that is an affiliate of another U.S. company, as the U.S. Reporter and the foreign insurance company are unaffiliated. (See note above.)
- 23. Losses recovered on primary insurance (purchases only)** – Losses recovered on insurance purchased from unaffiliated foreign insurance carriers. (See note above service number 22.)



## GENERAL INSTRUCTIONS – Continued

### VII. SERVICES COVERED – Continued

- 24. Construction, engineering, architectural, and mining services (purchases only)** – Includes purchases of the following types of services: services of general contractors in the fields of building and heavy construction; construction work by special trade contractors, such as the erection of structural steel for bridges and buildings and on-site electrical work; architectural, engineering, and land-surveying services; and mining services, including oil and gas field services. Includes only those engineering services purchased in conjunction with construction and mining services projects; industrial engineering services, such as product design services, should be reported under service number 10. Includes services purchased in connection with proposed projects (e.g.; feasibility studies) as well as projects that are actually being carried out.

**Note** that the U.S. Reporter's sales of construction, engineering, architectural, and mining services are not reportable on this survey, but on separate BEA Form BE-47.

- 25. Financial services (purchases only)** – Purchases from foreigners of financial services by U.S. firms, or domestic subsidiaries of U.S. firms, that are **not** financial services intermediaries or providers. Such purchases should be reported on Schedule C. See Schedule C for a more detailed description of the types of transactions that are covered.

- 26. Merchanting services** – (Report sales/receipts on Schedule A; purchases/payments are not reportable): For this service, only the value of merchanting services for all foreign countries combined (i.e., the global total for all foreign merchanting services) must be reported; data by individual foreign country may be reported voluntarily.

The value of merchanting services is equal to the **difference** between your cost for, and the resale price of, goods (such as crude oil, grain, and other commodities) that are both purchased and resold abroad; that is, the goods are neither imported to, nor exported from, the United States, and they do not undergo significant processing during the time between when they are purchased and resold. Without regard to whether you initially purchased the goods from an affiliated or unaffiliated foreign person, report data only for those transactions where you resold goods to an unaffiliated foreign person (i.e., a person who is neither your foreign affiliate nor a member of your foreign parent group). The data that are voluntarily reported by individual foreign country should be reported according to the individual foreign countries to which the goods were resold (and not the foreign countries from which the goods were purchased).

- 27. Operational leasing services** – Rentals for computer and data processing equipment; transportation equipment (such as ships, aircraft, railway cars, containers, rigs, automobile fleets, etc.) **without** crew or operators (if crew or operators are also provided, the fee is considered to be for transportation services, which are not reportable on the BE-22 but may be reportable on BEA forms BE-30, BE-36, or BE-37 – see V. of these General Instructions); and all other machinery and equipment. This category excludes rentals under leases that have been capitalized (capital leases), and rentals of any items other than machinery and equipment. (For example, it excludes rentals of office buildings and other real estate, film rentals, and employee leasing.)

- 28. Other private services** – Report transactions in the following types of services: Language translation services, security services, collection services, actuarial services, salvage services, satellite photography services, and oil spill and toxic waste cleanup services; i.e., this category **excludes** transactions in services not on this list. When reporting data under this service number, also identify on Schedule A or Schedule B, as appropriate, the specific type of service from the list above accounting for the largest share of the reported total.



**SUPPLEMENT A - OPTIONAL CHECKLIST OF SERVICES TRANSACTIONS BETWEEN COMPANY UNIT AND UNAFFILIATED FOREIGN PERSONS**  
**ANNUAL SURVEY OF SELECTED SERVICES TRANSACTIONS WITH UNAFFILIATED FOREIGN PERSONS**

This checklist is provided with the BE-22 survey for the internal use and convenience of Reporters only and is not to be returned to BEA.

The purpose of this checklist is to facilitate the determination of whether or not the "parts" or units of a given U.S. company had any of the various services transactions covered by the survey, either sales (receipts) or purchases (payments), with unaffiliated foreign persons during the respondent's fiscal year. (The term "persons" includes business enterprises, governments, individuals, and other organizations and entities.)

For companies with diverse operations, this checklist should be directed to persons in the various parts of the company who are knowledgeable about the parts' sales and purchasing activities and who can say, in their judgement, with a reasonable degree of certainty without conducting a records search, whether or not a part engaged in covered transactions. Because companies organize their operations and accounting systems in different ways, these parts of a company might variously be referred to as profit centers, business units, divisions, subsidiaries, plant sites, establishments, operating centers, etc., or some combination thereof. All parts of the domestic company must be covered, although all need not be given the checklist, since some might already be known by headquarters to have, or not have, reportable transactions.

Definitions of the various types of services are on the reverse side of this checklist. Note that in several cases - advertising (service number 1); telecommunications (service number 4); performing arts, etc. (service number 12); miscellaneous disbursements (services numbered 15-21); and rights to natural resources (services numbered 13 and 14) - measures other than, or in addition to, sales of services and purchases of services should be used in completing the checklist.

The guidelines listed below apply to this checklist.

- Both sales and purchases of services should relate to the company's fiscal year.
- Transactions by the U.S. operations ONLY are covered. Transactions by or with foreign branches or subsidiaries (foreign affiliates) of the U.S. company are NOT covered, NOR are transactions by or with a foreign parent company.
- In reporting purchases, include items meeting the above criteria, without regard to whether they were charged as an expense on the income statement, capitalized, or charged to inventories.
- "Foreign" means that which is situated outside the United States and its territories and possessions. Therefore, transactions with companies located in the United States that have foreign parents are NOT includable; and transactions with foreign affiliates of other U.S. companies ARE includable.
- Foreign persons are considered to be "unaffiliated" if (a) the U.S. company's ownership percentage (direct and indirect) in the foreign person is less than 10 percent or (b) the foreign person's ownership percentage (direct and indirect) in the U.S. company is less than 10 percent. (Questions as to whether a particular foreign company is affiliated or unaffiliated should be referred to the person named in the box below.)
- Includable transactions are determined by the above criteria, without regard to WHERE the services were performed. For example, services performed abroad by a respondent are covered if the respondent's U.S. operations performed the services instead of a foreign affiliate. Similarly, purchases of services from unaffiliated foreign persons are includable without regard to WHERE such services were performed.

Person in company headquarters to contact concerning questions about this survey.

Name \_\_\_\_\_

TELEPHONE

Area code	Number	Extension
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**OPTIONAL SALES AND PURCHASES CHECKLIST**

For each service listed, for both sales and purchases, mark (X) "Yes" or "No" as to whether, in your judgement, your part of the company had any transactions with unaffiliated foreign persons during the fiscal year. If the answer is "Yes," enter the estimated amount of the transactions in column (c) (SALES) or column (f) (PURCHASES).

Type of service	SALES			PURCHASES		
	Had any transactions?		Estimated amount <i>Report in dollars</i> (c)	Had any transactions?		Estimated amount <i>Report in dollars</i> (f)
	Yes (a)	No (b)		Yes (d)	No (e)	
1. Advertising services						
2. Computer and data processing services						
3. Data base and other information services						
4. Telecommunications services						
5. Research, development, and testing services						
6. Management, consulting, and public relations services						
7. Accounting, auditing, and bookkeeping services						
8. Legal services						
9. Educational and training services						
10. Industrial engineering services						
11. Industrial-type maintenance, installation, alteration, and training services						
12. Performing arts, sports, and other live performances, presentations and events						
13. Sale or purchase of rights to natural resources, and lease bonus payments						
14. Use or lease of rights to natural resources, excluding lease bonus payments						
15. Disbursements to fund news-gathering costs of broadcasters						
16. Disbursements to fund news-gathering costs of print media						
17. Disbursements to fund production costs of motion pictures						
18. Disbursements to fund production costs of broadcast program material other than news						
19. Disbursements to maintain government tourism and business promotion offices						
20. Disbursements to maintain sales promotion and representation						
21. Disbursements to participate in foreign trade shows			Not reportable			
22. Premiums paid on primary insurance			Not reportable			
23. Losses recovered on primary insurance			Not reportable			
24. Construction, engineering, architectural, and mining services			Not reportable			
25. Financial services			Not reportable			
26. Merchanting services						Not reportable
27. Operational leasing services						
28. Other private services						

Person completing this form for part or unit of company, complete box on reverse side.



## DEFINITIONS OF TYPES OF SERVICES

1. **Advertising services** – Preparation of advertising and placement of such advertising in media, including charges for media space and time. An advertising agency selling services should use **gross billings** to unaffiliated foreigners in completing the checklist.
2. **Computer and data processing services** – Data entry, processing (both batch and remote), and tabulation; computer systems analysis, design, and engineering; custom software and programming services; integrated hardware/software systems; and other computer services (e.g., timesharing, maintenance, and repair). **Excludes general use computer software royalties and license fees; for 1997 and the following years these transactions are to be reported on the Form BE-93, Annual Survey of Royalties, License Fees, and Other Receipts and Payments for Intangible Rights Between U.S. and Unaffiliated Foreign Persons.**
3. **Data base and other information services** – Business and economic data base services, including business news, stock quotation, and financial information services; medical, legal, technical, demographic, bibliographic, and similar data base services; general news services, such as those provided by a news syndicate; and other information services, including reservation systems and credit reporting and authorization systems.
4. **Telecommunications services**
  - a. **Message telephone services (communications carriers only)** – Receipts from foreign persons (communications companies and postal, telephone, and telegraph agencies (PTT's)) for own share of revenues for transmitting messages originating abroad to U.S. destinations, and payouts to foreign persons (communications companies and PTT's) for their share of revenues for transmitting messages originating in the United States to foreign destinations.
  - b. **Private leased channel services** – Receipts from foreign persons for circuits and channels terminating in the United States and for circuits and channels between foreign points, and payouts to foreign persons for leased channels and circuits terminating in foreign countries.
  - c. **Telex, telegram, and other jointly provided (basic) services** – Includes telex and telegram services, packet switched services when not offered in connection with enhanced services, and other regulated services of the type reportable to the FCC on Report 4361.
  - d. **Value-added (enhanced) services** – Telecommunications services that add value or function above and beyond the telecommunications transport services that deliver the value-added services to end users. They can include (i) electronic mail, voice mail, code and protocol processing, and management of data networks; (ii) facsimile services and video-conferencing; (iii) Internet connections (including Internet backbone and router services); and (iv) other value-added (enhanced) services.
  - e. **Support services** – Services related to the maintenance and repair of telecommunications equipment; ground station services; capacity leasing for transiting; and launching of communications satellites.
5. **Research, development, and testing services** – Commercial and noncommercial research, product development services, and testing services. Includes fees for the conduct of experiments or performance of research and development activities aboard spacecraft. Excludes medical and dental laboratory services.
6. **Management, consulting, and public relations services** – Management services, except management of health care facilities; consulting services, except consulting engineering services related to actual or proposed construction or mining services projects (see 24) and computer consulting (see 2); and public relations services, except those that are an integral part of an advertising campaign (see 1).
7. **Accounting, auditing, and bookkeeping services** – Excludes data processing and tabulating services (see 2).
8. **Legal services** – Legal advice or other legal services, including insurance claims adjustment services.
9. **Educational and training services** – Educational or training services provided or acquired on a contract or fee basis. Excludes tuition and fees charged to individual students, as well as training done by a manufacturer in connection with the sale of a good (see 11).
10. **Industrial engineering services** – Engineering services related to the design of movable products, including product design services. Excludes services that relate to immovable products, such as those that relate to actual or proposed construction or mining services projects (see 24).
11. **Industrial-type maintenance, installation, alteration, and training services** – Maintenance services primarily to machinery and equipment. May also include small maintenance work on buildings, structures, dams, highways, etc., but only to the extent that the work is not reportable under service number 24. Would include such services as the periodic overhaul of turbines, the extinguishment of natural gas well fires, and refinery maintenance. Excludes computer maintenance (report under service number 2). Installation and training services include only installation, startup, and training services provided by a manufacturer in connection with the sale of a good. Do not include such services where the cost is included in the price of the goods and not separately billed, or is declared as a part of the price of the goods on the import or export declaration filed with the U.S. Customs Service; however, services provided at a price over and above that entered on the declaration should be included. These services would be reported elsewhere if not received in connection with the purchase of goods. For example, installation of machinery and equipment is normally considered a construction activity, and training personnel in the use of new machinery would ordinarily be reported as an educational or training service.
12. **Performing arts, sports, and other live performances, presentations, and events** – Fees received (net of allowances for foreign expenses) or paid (net of allowances for U.S. expenses) for performing arts, sports, etc. To be reported by (a) U.S. management companies, booking agents, promoters, and presenters who received funds from or paid funds to foreign persons, for performances and events, and (b) U.S. performers who received funds directly from a foreign person rather than through a U.S. management company or similar entity. (As used here, "performers" means entertainers, sports teams, orchestras, dance companies, lecturers, and similar persons or performing groups.)
13. **Sale or purchase of rights to natural resources, and lease bonus payments** – Receipts from the sale of, or payments for the acquisition of rights to natural resources located in the United States and abroad, and lease bonus payments. Excludes sales of purchases of rights to surface land.
14. **Use or lease of rights to natural resources, excluding lease bonus payments** – Receipts or payments for the use of rights to natural resources located in the United States and abroad, including oil or mining production royalties. Excludes lease bonus payments (reportable under 13) and sales or purchases of rights to surface land.
- 15-21. **Miscellaneous disbursements** – Disbursements or outlays to fund news-gathering costs of broadcasters and the print media; production costs of motion picture companies and companies engaged in the production of broadcast program material other than news; and costs of maintaining tourism, business promotion, and representative offices, and for participating in foreign trade shows.
22. **Primary insurance premiums (purchases only)** – Applies only to insurance purchased from foreign insurance carriers. Equals premiums paid minus cancellations. Excludes reinsurance transactions.
23. **Losses recovered on primary insurance (purchases only)** – Applies only to claims recovered on purchases of primary insurance.
24. **Construction, engineering, architectural, and mining services** – Covers only **purchases** of the following types of services: Services of general contractors in the fields of building and heavy construction; construction work by special trade contractors, such as the erection of structural steel for bridges and buildings and on-site electrical work; architectural, engineering, and land-surveying services; and mining services, including oil and gas field services. Includes only those engineering services purchased in conjunction with construction and mining services projects; industrial engineering services, such as product design services, are included in 10. Includes services purchased in connection with proposed projects (e.g., feasibility studies) as well as projects that are actually being carried out.
25. **Financial services** – Payments to foreigners of credit-related fees; fees on securities transactions; and fees for other financial services by U.S. firms, or domestic subsidiaries of U.S. firms, that are **not** financial services intermediaries or providers. For transactions in "other" financial services, specify here or on an attachment the type of service that accounts for the largest share of the data reported.
26. **Merchandising services** – Sales of merchandising services are equal to the **difference** between your cost and the resale price of goods (such as crude oil, grain, and other commodities) that are both purchased and resold abroad; that is, the goods are neither imported to, nor exported from, the United States, and they do not undergo significant processing during the time between when they are purchased and resold. Without regard to whether the goods were initially purchased from an affiliated or unaffiliated foreign person, includes only transactions where the goods were resold to an unaffiliated foreign person.
27. **Operational leasing services** – Includes rentals for computer and data processing equipment; transportation equipment (such as ships, aircraft, railway cars, containers, rigs, automobile fleets, etc.) **without** crew or operators; and all other machinery and equipment. Excludes rentals under leases that have been capitalized (capital leases), rentals of transportation equipment **with** crew, and rentals of any items other than machinery and equipment. (For example, excludes rentals of office buildings and other real estate, film rentals, and employee leasing.)
28. **Other private services** – Includes transactions in only the following types of services: Language translation services, security services, collection services, actuarial services, salvage services, satellite photography services, and oil spill and toxic waste cleanup services; i.e., this category **excludes** transactions in services not on this list.

For the convenience of the person in the company headquarters who is preparing the consolidated BE-22 report, please complete the following.

Part or unit of company this Supplement A is for:

Name of person in the part or unit of the company to contact concerning this Supplement A

TELEPHONE

Area code	Number	Extension
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FORM **BE-22** U.S. DEPARTMENT OF COMMERCE  
(10-4-2000) BUREAU OF ECONOMIC ANALYSIS

Public reporting burden for this collection of information is estimated to vary from 4 to 500 hours per response, with an average of 11.5 hours per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate, including suggestions for reducing this burden, to Director, Bureau of Economic Analysis (BE-1), U.S. Department of Commerce, Washington, DC 20230; and to the Office of Management and Budget, Paperwork Reduction Project 0608-0060, Washington, DC 20503.

**MANDATORY  
CONFIDENTIAL**  
**ANNUAL SURVEY OF SELECTED  
SERVICES TRANSACTIONS WITH  
UNAFFILIATED FOREIGN  
PERSONS - 2000**

<b>BEA USE ONLY</b>	Control number																		
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**Part I NAME, ADDRESS, AND DETERMINATION OF REPORTING STATUS**

**1. Name and principal address of U.S. Reporter - Enter or correct as necessary.**

**MAIL REPORTS TO**  
U.S. Department of Commerce  
Bureau of Economic Analysis  
BE-50(SSB)  
Washington, DC 20230

**OR**

**DELIVER REPORTS TO**  
U.S. Department of Commerce  
Bureau of Economic Analysis  
BE-50(SSB)  
Shipping and Receiving Section M-100  
1441 L Street, NW  
Washington, DC 20005

**Assistance** - Telephone (202) 606-5588 during office hours - 8:30 a.m. to 5:00 p.m. eastern time. **Due date** - A completed BE-22 is due on March 31, 2001.

**WHAT TO FILE** - All persons who receive this form must complete Part I, and the "Person to Consult" and "Certification" blocks below. Reporters subject to the mandatory reporting requirement must also complete Part II and the mandatory section(s) of the appropriate schedule(s). Reporters that elect to voluntarily report data must complete Part II and the voluntary section(s) of the appropriate schedule(s). Recipients of this form that are exempt from reporting must complete the exemption claim on page 2. TO DETERMINE REPORTING STATUS, PLEASE READ THE ATTACHED **GENERAL INSTRUCTIONS**.

<b>BEA USE ONLY</b>																			
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**2. Determination of reporting status**

If a U.S. person's total transactions (either sales or purchases) with unaffiliated foreign persons in any of the types of services listed on pages iv - vi of the General Instructions exceed \$1,000,000 during the U.S. person's fiscal year, a BE-22 report **must** be filed. If a U.S. person's total transactions (either sales or purchases) with unaffiliated foreign persons in a given type of service are \$1,000,000 or less during the fiscal year, the U.S. person **may** voluntarily report the total for each type of service, not distributed by individual foreign country, on line 32 of the appropriate schedules. These estimates may be judgmental, that is, not based on a search of accounting records but instead on the recollection of knowledgeable persons within the company who are in a position to know whether any significant transactions in the particular service(s) were engaged in during the year, and if so, the approximate total amount(s) of such transactions. Information provided on these transactions will make the survey results more complete and will better ensure that all types of services are adequately represented in any negotiations or other policy initiatives supported by the survey data.

Mark (X) one:

- The U.S. Reporter is required to report data in the mandatory section of at least one of the schedules.
- The U.S. Reporter is not required to report data in the mandatory section of any schedule, but elects to report data voluntarily on line 32 of at least one schedule.
- The U.S. Reporter is not reporting data in either the mandatory or voluntary section of any schedule, and is filing an exemption claim. Complete the "PERSON TO CONSULT" and CERTIFICATION sections below and the exemption claim on page 2.

**PERSON TO CONSULT CONCERNING QUESTIONS ABOUT THIS REPORT - Enter name and address**


**CERTIFICATION** - The undersigned official certifies that this report has been prepared in accordance with the applicable instructions, is complete, and is substantially accurate except that, in accordance with VI.G of the **General Instructions**, estimates have been provided where data are not available from customary accounting records or precise data could not be obtained without undue burden.

Authorized official's signature

TELEPHONE NUMBER	Area code	Number	Extension	Print or type name and title	Date
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**EXEMPTION CLAIM - Complete only if Part I, item 2, box 3 was marked.**

The U.S. Reporter is not reporting data on any schedule of this form because it - Mark (X) appropriate box.

**A**  Was not in existence at any time during the reporting period.

**B**  Is owned to the extent of more than 50% of its voting stock by another U.S. enterprise.

(If the U.S. Reporter is a corporation, the data in this report are to be for the fully consolidated domestic enterprise. If a corporation is owned to the extent of more than 50 percent of its voting stock by another U.S. corporation, the parent corporation should file this report. For exceptions, see I.D. of the General Instructions.)

**C**  Had no transactions, either sales or purchases, of the types covered, with unaffiliated foreign persons.

**D**  Had transactions, either sales or purchases, of the types covered but the value of each type did not exceed \$1,000,000 and the U.S. Reporter does not wish to report the data voluntarily. The total amount of the transactions, for all services combined, was approximately \_\_\_\_\_

Specify parent corporation		
Name		
Address - Number and street		
City	State	ZIP Code

Report in thousands of U.S. dollars	
Sales \$	Purchases \$

If you marked (X) a box in this exemption claim - **STOP HERE** and return this form to BEA.

<b>Part II</b>	Month	Day	Year	<b>2. Industry classification - Enter 3-digit code from the Summary of Industry Classifications.</b>	11002
<b>1. Annual report for fiscal year ending</b>	11001		0 0		
<b>3. Major activity of the U.S. Reporter and product or service involved in that activity</b>					
<b>4. Primary Employer Identification (EI) Number used by the U.S. Reporter to file U.S. income or payroll taxes</b>					
11003					

**SCHEDULE A U.S. REPORTER'S SALES OF SELECTED SERVICES TO UNAFFILIATED FOREIGN PERSONS**

The mandatory section is **required** to be completed for a given type of service or activity if your total sales to foreign persons of that service, or your total receipts from foreign persons for that activity, exceed \$1,000,000.

The voluntary section is **requested** to be completed for a given type of service or activity if your total sales to foreign persons of that service, or your total receipts from foreign persons for that activity, are \$1,000,000 or less.

**NOTE** - In determining exemption, except for transactions in rights to natural resources, the \$1,000,000 threshold should be separately applied to each of the services listed below. For transactions in rights to natural resources, the \$1,000,000 threshold should be applied to the sum of services numbered 13 and 14.

Enter the number associated with the service, instead of the complete title of the service, in the column heading on page 3. See VII. of the General Instructions for complete descriptions of the services covered.

Service number	Service
1	Advertising services
2	Computer and data processing services
3	Data base and other information services
4	Telecommunications services
5	Research, development, and testing services
6	Management, consulting, and public relations services
7	Accounting, auditing, and bookkeeping services
8	Legal services
9	Educational and training services
10	Industrial engineering services
11	Industrial-type maintenance, installation, alteration, and training services
12	Performing arts, sports, and other live performances, presentations, and events
13	Sale or purchase of rights to natural resources, and lease bonus payments
14	Use or lease of rights to natural resources, excluding lease bonus payments
15	Disbursements to fund news-gathering costs of broadcasters
16	Disbursements to fund news-gathering costs of print media
17	Disbursements to fund production costs of motion pictures
18	Disbursements to fund production costs of broadcast program material other than news
19	Disbursements to maintain government tourism and business promotion offices
20	Disbursements for sales promotion and representation
26	Merchandising services
27	Operational leasing services
28	Other private services*

\*"Other private services" (i.e., service number 28) consist of language translation services, security services, collection services, actuarial services, salvage services, satellite photography services, and toxic waste cleanup services.



**SCHEDULE A - U.S. REPORTER'S SALES OF SELECTED SERVICES TO UNAFFILIATED FOREIGN PERSONS**

RECEIPTS FROM	BEA USE ONLY		REPORT IN THOUSANDS OF U.S. DOLLARS					
	Service number:	Service number:	Service number:	Service number:	Service number:	Service number:		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<b>MANDATORY</b> A1000	1	2	3	4	5	6	7	8
<b>Complete if total sales of the given type of service exceed \$1,000,000.</b>								
<b>1. All countries, total</b> → 001	1	2	3	4	5	6	7	8
<b>2. Australia</b> 002	1	2	3	4	5	6	7	8
<b>3. Belgium</b> 003	1	2	3	4	5	6	7	8
<b>4. Brazil</b> 004	1	2	3	4	5	6	7	8
<b>5. Canada</b> 005	1	2	3	4	5	6	7	8
<b>6. France</b> 006	1	2	3	4	5	6	7	8
<b>7. Germany</b> 007	1	2	3	4	5	6	7	8
<b>8. Hong Kong</b> 008	1	2	3	4	5	6	7	8
<b>9. Israel</b> 009	1	2	3	4	5	6	7	8
<b>10. Italy</b> 010	1	2	3	4	5	6	7	8
<b>11. Japan</b> 011	1	2	3	4	5	6	7	8
<b>12. Luxembourg</b> 012	1	2	3	4	5	6	7	8
<b>13. Mexico</b> 013	1	2	3	4	5	6	7	8
<b>14. Netherlands</b> 014	1	2	3	4	5	6	7	8
<b>15. Philippines</b> 015	1	2	3	4	5	6	7	8
<b>16. Saudi Arabia</b> 016	1	2	3	4	5	6	7	8
<b>17. South Korea</b> 017	1	2	3	4	5	6	7	8
<b>18. Spain</b> 018	1	2	3	4	5	6	7	8
<b>19. Sweden</b> 019	1	2	3	4	5	6	7	8
<b>20. Switzerland</b> 020	1	2	3	4	5	6	7	8
<b>21. Taiwan</b> 021	1	2	3	4	5	6	7	8
<b>22. United Kingdom</b> 022	1	2	3	4	5	6	7	8
<b>23. Venezuela</b> 023	1	2	3	4	5	6	7	8
<b>Other - Specify</b> (Use additional copied sheets as necessary)	1	2	3	4	5	6	7	8
<b>24.</b> 024								
<b>25.</b> 025	1	2	3	4	5	6	7	8
<b>26.</b> 026	1	2	3	4	5	6	7	8
<b>27.</b> 027	1	2	3	4	5	6	7	8
<b>28.</b> 028	1	2	3	4	5	6	7	8
<b>29.</b> 029	1	2	3	4	5	6	7	8
<b>30.</b> 030	1	2	3	4	5	6	7	8
<b>31.</b> 031	1	2	3	4	5	6	7	8
<b>VOLUNTARY</b>								
<b>Complete if total sales of the given type of service are \$1,000,000 or less.</b>								
<b>32. All countries, total</b> → 032	1	2	3	4	5	6	7	8
<b>BEA USE ONLY</b> 033	1	2	3	4	5	6	7	8

**NOTE -** If total (cross-border) sales of a given type of service exceed \$1 million, you must complete the MANDATORY section above, and line 32 must be left blank.



**SCHEDULE B – U.S. REPORTER’S PURCHASES OF SELECTED SERVICES FROM UNAFFILIATED FOREIGN PERSONS**

The mandatory section is **required** to be completed for a given type of service or activity if your total purchases of that service, or outlays for that activity, exceed \$1,000,000.

The voluntary section is **requested** to be completed for a given type of service or activity if your total purchases of that service, or outlays for that activity, are \$1,000,000 or less.

**NOTE** – In determining exemption, except for transactions in rights to natural resources, the \$1,000,000 threshold should be separately applied to each of the services listed below. For transactions in rights to natural resources, the \$1,000,000 threshold should be applied to the sum of services numbered 13 and 14. For purchases of primary insurance, for which premiums paid and losses recovered are required to be reported in separate columns, both premiums paid and losses recovered (services numbered 22 and 23) must be reported if either premiums paid or losses recovered exceed \$1,000,000. If there are transactions in one of these services but not in the other, enter "N/A" in the appropriate column of this schedule, line 1 or 32.

Enter the number associated with the service, instead of the complete title of the service, in the column heading on page 5. See VII. of the General Instructions for complete descriptions of the services covered.

Service number	Service
1	Advertising services
2	Computer and data processing services
3	Data base and other information services
4	Telecommunications services
5	Research, development, and testing services
6	Management, consulting, and public relations services
7	Accounting, auditing, and bookkeeping services
8	Legal services
9	Educational and training services
10	Industrial engineering services
11	Industrial-type maintenance, installation, alteration, and training services
12	Performing arts, sports, and other live performances, presentations, and events
13	Sale or purchase of rights to natural resources, and lease bonus payments
14	Use or lease of rights to natural resources, excluding lease bonus payments
15	Disbursements to fund news-gathering costs of broadcasters
16	Disbursements to fund news-gathering costs of print media
17	Disbursements to fund production costs of motion pictures
18	Disbursements to fund production costs of broadcast program material other than news
19	Disbursements to maintain government tourism and business promotion offices
20	Disbursements for sales promotion and representation
21	Disbursements to participate in foreign trade shows
22	Premiums paid on purchase of primary insurance
23	Losses recovered on purchases of primary insurance
24	Construction, engineering, architectural, and mining services
27	Operational leasing services
28	Other private services*
*Other private services" (i.e., service number 28) consist of language translation services, security services, collection services, actuarial services, salvage services, satellite photography services, and toxic waste cleanup services.	

Note that purchases of financial services covered by this survey are to be reported on separate Schedule C, not on this schedule.



**SCHEDULE B – U.S. REPORTER’S PURCHASES OF SELECTED SERVICES  
FROM UNAFFILIATED FOREIGN PERSONS**

PAYMENTS TO	BEA USE ONLY		REPORT IN THOUSANDS OF U.S. DOLLARS					
	Service number:	Service number:	Service number:	Service number:	Service number:	Service number:	Service number:	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<b>MANDATORY</b> B1000 Complete if total purchases of the given type of service exceed \$1,000,000.	1	2	3	4	5	6	7	8
<b>1. All countries, total</b> → 001	1	2	3	4	5	6	7	8
<b>2. Australia</b> 002	1	2	3	4	5	6	7	8
<b>3. Belgium</b> 003	1	2	3	4	5	6	7	8
<b>4. Brazil</b> 004	1	2	3	4	5	6	7	8
<b>5. Canada</b> 005	1	2	3	4	5	6	7	8
<b>6. France</b> 006	1	2	3	4	5	6	7	8
<b>7. Germany</b> 007	1	2	3	4	5	6	7	8
<b>8. Hong Kong</b> 008	1	2	3	4	5	6	7	8
<b>9. Israel</b> 009	1	2	3	4	5	6	7	8
<b>10. Italy</b> 010	1	2	3	4	5	6	7	8
<b>11. Japan</b> 011	1	2	3	4	5	6	7	8
<b>12. Luxembourg</b> 012	1	2	3	4	5	6	7	8
<b>13. Mexico</b> 013	1	2	3	4	5	6	7	8
<b>14. Netherlands</b> 014	1	2	3	4	5	6	7	8
<b>15. Philippines</b> 015	1	2	3	4	5	6	7	8
<b>16. Saudi Arabia</b> 016	1	2	3	4	5	6	7	8
<b>17. South Korea</b> 017	1	2	3	4	5	6	7	8
<b>18. Spain</b> 018	1	2	3	4	5	6	7	8
<b>19. Sweden</b> 019	1	2	3	4	5	6	7	8
<b>20. Switzerland</b> 020	1	2	3	4	5	6	7	8
<b>21. Taiwan</b> 021	1	2	3	4	5	6	7	8
<b>22. United Kingdom</b> 022	1	2	3	4	5	6	7	8
<b>23. Venezuela</b> 023	1	2	3	4	5	6	7	8
<b>Other — Specify</b> (Use additional copied sheets as necessary)	1	2	3	4	5	6	7	8
<b>24.</b> 024	1	2	3	4	5	6	7	8
<b>25.</b> 025	1	2	3	4	5	6	7	8
<b>26.</b> 026	1	2	3	4	5	6	7	8
<b>27.</b> 027	1	2	3	4	5	6	7	8
<b>28.</b> 028	1	2	3	4	5	6	7	8
<b>29.</b> 029	1	2	3	4	5	6	7	8
<b>30.</b> 030	1	2	3	4	5	6	7	8
<b>31.</b> 031	1	2	3	4	5	6	7	8
<b>VOLUNTARY</b> Complete if total purchases of the given type of service are \$1,000,000 or less.	1	2	3	4	5	6	7	8
<b>32. All countries, total</b> → 032	1	2	3	4	5	6	7	8
<b>BEA USE ONLY</b> 033	1	2	3	4	5	6	7	8

**NOTE** – If total (cross-border) purchases of a given type of service exceed \$1 million, you must complete the MANDATORY section above, and line 32 must be left blank.



## SCHEDULE C – U.S. REPORTER'S PURCHASES OF FINANCIAL SERVICES FROM UNAFFILIATED FOREIGN PERSONS

The mandatory section is **required** to be completed if your total purchases of financial services exceed \$1,000,000.

The voluntary section is **requested** to be completed if your total purchases of financial services are \$1,000,000 or less.

This schedule covers direct **purchases** from foreigners of financial services by U.S. firms that are **not** financial services intermediaries or providers. For example, financial services purchased directly from foreigners by a U.S. manufacturing firm are covered, but services purchased by a U.S. bank or other U.S. financial services intermediary or provider are not covered.

For a consolidated U.S. enterprise that is comprised of both financial and nonfinancial subsidiaries, this schedule pertains **only** to transactions of the subsidiaries that are not financial services intermediaries or providers. Thus, for example, an auto manufacturer that owns a finance company should complete the financial services questions only for the manufacturing part of the firm.

Although financial services intermediaries are exempt from reporting on this schedule, they must report their purchases and sales of nonfinancial services on the other BE-22 schedules, and must report their purchases and sales of financial services on BEA surveys of financial services transactions between financial services providers and unaffiliated foreign persons (Forms BE-80 and BE-82), as appropriate.

U.S. financial services intermediaries or providers that are exempt from reporting on this schedule are: Depository institutions; nondepository credit institutions; security and commodity brokers, dealers, exchanges, and services providers; insurance carriers and pension funds; insurance agents, brokers, and services providers; investment offices, trusts, oil royalty traders, patent owners and lessors, and real estate investment trusts; and holding companies of financial services intermediaries. This list is similar to the finance and insurance part of Division H in the 1987 Standard Industrial Classification Manual, except that Division H includes all holding companies, not just holding companies of financial services intermediaries.

**Column (3), Credit-related fees** – Include fees for establishing, maintaining, or arranging credits, letters of credit, bankers acceptances, mortgages, factoring services, loan guarantees, etc., that are commonly provided by foreign banking establishments.

Include fees paid directly and fees that are withheld or deducted from your proceeds by the foreign person. For example, for factoring services, the fee may be calculated as the difference between the proceeds you received from the sale of your receivables and the face amount of the receivables sold; for arranging credits, letters of credit, etc., it may be calculated as the difference between the proceeds you received from the loan, letter of credit, etc. (after deduction of the fee) and your liability to the foreign lending establishment. Report credit-related fees in the accounting period in which they are incurred, whether or not expensed in that accounting period.

**Exclude** interest on your obligations, because interest is a payment for the use of loan proceeds and is not a fee for the establishment, maintenance, or arrangement of credit.

**Column (4), Fees on securities transactions** – Include commissions and other fees for securities transactions (including transactions in derivatives) or futures trading, such as brokerage, underwriting, private placements, etc. Fees for such services would commonly be paid to foreign investment banks and securities brokers or dealers.

Include fees that can be calculated from transactions records or other documentation issued by the investment bank or security broker or dealer. Omit, rather than attempt to estimate, these fees if they cannot be calculated from such documentation. (For example, a dealer's markup on bond purchases and sales cannot be directly estimated from transactions records issued by a securities dealer.)

**Column (5), Fees for other financial services** – Include fees for asset/liability management, debt renegotiation, and other financial services. **Exclude leasing.** (Report such services in the BE-22 service category, "Operational leasing services.") **Exclude real estate management services.** (Report such services in the BE-22 service category, "Management, consulting, and public relations services.") For entries in this column, describe on the back of Schedule C the type of financial service that accounts for the largest share of the data reported.



**SCHEDULE C – U.S. REPORTER’S PURCHASES OF FINANCIAL SERVICES  
FROM UNAFFILIATED FOREIGN PERSONS**

**NOTE** – Total purchases of financial services are calculated as the sum of columns (3) through (5)

PAYMENTS TO	BEA USE ONLY		REPORT IN THOUSANDS OF U.S. DOLLARS				
	(1)	(2)	Credit-related fees (3)	Fees on securities transactions (4)	Fees for other financial services (Specify largest type on reverse side of this schedule.) (5)		
<b>MANDATORY</b> Complete if total purchases of financial services exceed \$1,000,000.							
<b>1. All countries, total</b> → C0001	1	2	3	4	5		
<b>2. Australia</b> 002	1	2	3	4	5		
<b>3. Belgium</b> 003	1	2	3	4	5		
<b>4. Brazil</b> 004	1	2	3	4	5		
<b>5. Canada</b> 005	1	2	3	4	5		
<b>6. France</b> 006	1	2	3	4	5		
<b>7. Germany</b> 007	1	2	3	4	5		
<b>8. Hong Kong</b> 008	1	2	3	4	5		
<b>9. Israel</b> 009	1	2	3	4	5		
<b>10. Italy</b> 010	1	2	3	4	5		
<b>11. Japan</b> 011	1	2	3	4	5		
<b>12. Luxembourg</b> 012	1	2	3	4	5		
<b>13. Mexico</b> 013	1	2	3	4	5		
<b>14. Netherlands</b> 014	1	2	3	4	5		
<b>15. Philippines</b> 015	1	2	3	4	5		
<b>16. Saudi Arabia</b> 016	1	2	3	4	5		
<b>17. South Korea</b> 017	1	2	3	4	5		
<b>18. Spain</b> 018	1	2	3	4	5		
<b>19. Sweden</b> 019	1	2	3	4	5		
<b>20. Switzerland</b> 020	1	2	3	4	5		
<b>21. Taiwan</b> 021	1	2	3	4	5		
<b>22. United Kingdom</b> 022	1	2	3	4	5		
<b>23. Venezuela</b> 023	1	2	3	4	5		
<b>Other — Specify</b> (Use additional copied sheets as necessary)	1	2	3	4	5		
<b>24.</b> 024							
<b>25.</b> 025	1	2	3	4	5		
<b>26.</b> 026	1	2	3	4	5		
<b>27.</b> 027	1	2	3	4	5		
<b>28.</b> 028	1	2	3	4	5		
<b>29.</b> 029	1	2	3	4	5		
<b>30.</b> 030	1	2	3	4	5		
<b>31.</b> 031	1	2	3	4	5		
<b>VOLUNTARY</b> Complete if total purchases of financial services are \$1,000,000 or less.							
<b>32. All countries, total</b> → 032	1	2	3	4	5		
<b>BEA USE ONLY</b> 033	1	2	3	4	5		

**NOTE** – If total (cross-border) purchases of all types of financial services combined (the sum of columns 3 through 5) exceed \$1 million, you must complete the MANDATORY section above, and line 32 must be left blank.



**SCHEDULE C - PURCHASES OF FINANCIAL SERVICES FROM  
UNAFFILIATED FOREIGN PERSONS**

*If there is an entry in column (5) of Schedule C, specify below the type of financial service that accounts for the largest share of the data reported.*

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**This historical survey form is no longer valid  
and is for information purposes only.  
Current survey forms are at  
[www.bea.gov/help/information-for-survey-respondents](http://www.bea.gov/help/information-for-survey-respondents).**



## GENERAL INSTRUCTIONS

**Purpose** – Reports on this form are required in order to obtain reliable and up-to-date information on selected services transactions between U.S. persons and unaffiliated foreign persons. The information will be used to help support trade negotiations, formulate U.S. policy, and analyze the impact of that policy and the policies of foreign countries, on international trade in services. The data will also be used in compiling the U.S. balance of payments and national income and product accounts.

**Authority** – This survey is being conducted under the authority of the International Investment and Trade in Services Survey Act (P.L. 94-472, 90 Stat. 2059, 22 U.S.C. 3101-3108, as amended – hereinafter "the Act"), and the filing of reports is mandatory under Section 5(b)(2) of the Act (22 U.S.C. 3104). Regulations for the survey may be found in 15 CFR Part 801.

**Penalties** – Whoever fails to report may be subject to a civil penalty of not less than \$2,500, and not more than \$25,000, and to injunctive relief commanding such person to comply, or both. Whoever willfully fails to report shall be fined not more than \$10,000 and, if an individual, may be imprisoned for not more than one year, or both. Any officer, director, employee, or agent of any corporation who knowingly participated in such violations, upon conviction, may be punished by a like fine, imprisonment, or both (See 22 U.S.C. 3105). Notwithstanding the above, a U.S. person is not subject to any penalty for failure to report if a valid Office of Management and Budget (OMB) control number is not displayed on the form; such a number (0608-0060) is displayed on this form.

**Confidentiality** – The Act provides that your report to this Bureau is CONFIDENTIAL and may be used only for analytical or statistical purposes. Without your prior written permission, the information filed in your report CANNOT be presented in a manner that allows it to be individually identified. Your report CANNOT be used for purposes of taxation, investigation, or regulation. Copies retained in your files are immune from legal process.

### NOTES –

1. A single original copy of this report must be filed with the Bureau of Economic Analysis (BEA); please use the copy with the address label if such a labeled copy has been provided.
2. Currency amounts should be reported in U.S. dollars rounded to thousands (omitting 000). **EXAMPLE** - If the amount is \$1,000,000, report as \$1,000. Amounts less than \$500.00 round to "0" and should, therefore, be omitted.

### I. WHO IS TO REPORT AND GENERAL COVERAGE

#### A. Who is to report and transactions to be reported

1. **Mandatory reporting** – A BE-22 report is required from each U.S. person that had transactions (either sales or purchases) in excess of \$1,000,000 with unaffiliated foreign persons in any of the services listed in VII. of these General Instructions during the U.S. person's fiscal year.

The determination of whether a U.S. person is subject to this mandatory reporting requirement may be judgmental, that is, based on the judgement of knowledgeable persons in a company who can identify reportable transactions on a recall basis, with a reasonable degree of certainty without conducting a detailed manual records search. The "Optional Checklist" (Supplement A) described in IV. of the General Instructions may be used to facilitate data collection from the various parts of the reporter's organization.

Reporters who must file pursuant to this mandatory reporting requirement must complete Parts I and II of the form and all applicable schedules. The total amounts of transactions applicable to a particular schedule are to be entered in the appropriate column(s) on line 1 of the schedule. In addition, these amounts must be distributed below line 1 to the country(ies) involved in the transaction(s).

2. **Voluntary reporting** – If, during the U.S. person's fiscal year, the U.S. person's total transactions (either sales or purchases) in any of the types of services listed in VII. of these General Instructions are \$1,000,000 or less, the U.S. person is requested to provide an estimate of the total for each type of service. Provision of this information is voluntary. The estimates may be judgmental, that is, based on recall, without conducting a detailed manual records search.

The total amounts of transactions applicable to a particular schedule are to be entered in the appropriate column(s) on line 32 of the schedule. (If information on the countries of the transactions is available, the transactions may instead be reported by country in the mandatory section; however, disaggregation by country is not required.) Reporters who elect to file pursuant to the voluntary reporting option must complete Parts I and II of the form.

3. **Exemption** – A U.S. person receiving this form from BEA that is not required to report data in the mandatory section of any schedule, and that elects not to report data in the voluntary section of any schedule, must complete the "Person to Consult" and certification sections on page 1 and the exemption claim on page 2 of the form.

#### B. BE-22 definition of sales (receipts) or purchases (payments)

It should be noted that an item other than sales or purchases may be used as the measure of a given service for purposes of determining whether the threshold for mandatory reporting of the service is exceeded. Note that in several cases – advertising; telecommunications; performing arts, etc.; miscellaneous disbursements (services numbered 15-21 in VII. of these General Instructions); and rights to natural resources (services numbered 13 and 14) – measures other than, or in addition to, sales or purchases of services should be used. See VII. of these General Instructions for an explanation of what measure should be applied in determining whether you are subject to the BE-22 survey's mandatory reporting requirements for a given service.

#### C. Clarification of coverage and special situations

1. **Reporting period** – Form BE-22 is an annual report; one report is to be filed for each fiscal year of the U.S. Reporter. The Reporter's fiscal year is its financial reporting year that has an ending date in a given calendar year. (See **Definitions, II.M.**)
2. **Date of recording transactions** – Except for telecommunications services, transactions are to be reported on an accrual basis. Telecommunications transactions are to be reported on a settlements basis.
3. **Withholding taxes** – Data should be reported gross of U.S. and foreign withholding taxes.
4. **Services covered regardless of where performed** – Services sold to, or purchased from, unaffiliated foreign persons should be reported regardless of whether the services were performed in the United States or abroad.
5. **Services bundled with goods or with other services and not separately valued** – When a sale or purchase consists of both goods and services, or of several services, that cannot be unbundled (i.e., the goods and/or services are not separately valued), it should be classified based on whichever accounts for a majority of the value or on the basis of the Reporter's customary practice.
6. **Accounting for purchases** – Purchases of services should be included without regard to whether they are charged as an expense on the income statement, capitalized, or charged to inventories.
7. **Partnerships** – A partnership is a business enterprise and must report if it has covered transactions. The report must be for, and the data and information must cover, the partnership as a whole, not just the activities of an individual partner.
8. **Contractor reporting responsibility** – On all schedules, U.S. prime contractors are to report the full value of a transaction (contract) with an unaffiliated foreign person. U.S. subcontractors, including independent consultants, to a U.S. prime contractor are not to report their share of a contract with an unaffiliated foreign person.
9. **Projects with U.S. Government nonmilitary agencies** – Report information on services that are provided abroad for U.S. Government nonmilitary agencies, such as the Agency for International Development and the United States Information Agency, or that are part of an aid or technical cooperation program of the Government with foreign persons. However, do not report services provided to the U.S. Department of Defense or any of its agencies, such as the Army Corps of Engineers.
10. **International organizations** – Report transactions with international organizations, which, according to balance of payments conventions, are considered unaffiliated foreign persons even if they are headquartered in the United States. Enter the abbreviated designation, "Int'l Org.", as the name of the country the project is with.
11. **Internet transactions** – Reporting requirements are determined by who the transactions are with and not by where the services are performed or the location of the buyer and seller at the time of the transaction. Thus, reportable transactions may include those conducted over the Internet or other networks.



## GENERAL INSTRUCTIONS – Continued

### D. Consolidation

If the U.S. Reporter is a corporation, Form BE-22 is required to cover reportable transactions for the fully consolidated U.S. domestic enterprise consisting of (i) the U.S. corporation whose voting securities are not owned more than 50 percent by another U.S. corporation, and, proceeding down each ownership chain from that U.S. corporation, (ii) any U.S. corporation (including a Foreign Sales Corporation located in the United States) whose voting securities are more than 50-percent owned by the U.S. corporation above it.

The fully consolidated U.S. domestic enterprise excludes foreign branches and other foreign affiliates.

Conditions may exist that would lead a U.S. corporation to exclude certain majority-owned (more than 50-percent owned) domestic subsidiaries from financial statements used in reports to shareholders. If such a subsidiary has covered transactions, it must file a report under its own name, and the subsidiary will be considered the U.S. Reporter for purposes of completing that form. The U.S. owner, however, is responsible for ensuring that the required Forms BE-22, both for itself and for the subsidiary, are filed with BEA on a timely basis. Such a subsidiary's filing deadline is the same as that of its U.S. owner.

## II. DEFINITIONS

- A. Services** mean economic activities whose outputs are other than tangible goods. This term includes, but is not limited to, banking, other financial services, insurance, transportation, communications and data processing, retail and wholesale trade, advertising, accounting, construction, design, engineering, management consulting, real estate, professional services, entertainment, education, and health care.
- B. U.S. Reporter** is the U.S. person filing a report in this survey (see I.D. for further clarification).
- C. United States**, when used in a geographic sense, means the several States, the District of Columbia, the Commonwealth of Puerto Rico, and all territories and possessions of the United States.
- D. Foreign**, when used in a geographic sense, means that which is situated outside the United States or which belongs to or is characteristic of a country other than the United States.
- E. Person** means any individual, branch, partnership, associated group, association, estate, trust, corporation, or other organization (whether or not organized under the laws of any State), and any government (including a foreign government, the United States Government, a State or local government, and any agency, corporation, financial institution, or other entity or instrumentality thereof, including a government sponsored agency).
- 1. United States person** means any person resident in the United States or subject to the jurisdiction of the United States.
  - 2. Foreign person** means any person resident outside the United States or subject to the jurisdiction of a country other than the United States.
- F. Business enterprise** means any organization, association, branch or venture which exists for profitmaking purposes or to otherwise secure economic advantage, and any ownership of any real estate. (A business enterprise is a "person" within the definition in paragraph E above.)
- G. Direct investment** means the ownership or control, directly or indirectly, by one person of 10 per centum or more of the voting securities of an incorporated business enterprise or an equivalent interest in an unincorporated business enterprise.
- H. Parent** means a person of one country who, directly or indirectly, owns or controls 10 per centum or more of the voting stock of an incorporated business enterprise, or an equivalent ownership interest in an unincorporated business enterprise, which is located outside that country.
- 1. U.S. parent** means the U.S. person that has direct investment in a foreign business enterprise.
  - 2. Foreign parent** means the foreign person, or the first person outside the United States in a foreign chain of ownership, which has direct investment in a U.S. business enterprise, including a branch.

- 1. Affiliated foreign group** means (i) the foreign parent, (ii) any foreign person, proceeding up the foreign parent's ownership chain, which owns more than 50 per centum of the person below it up to and including that person which is not owned more than 50 per centum by another foreign person, and (iii) any foreign person, proceeding down the ownership chain(s) of each of these members, which is owned more than 50 per centum by the person above it.
- J. Affiliate** means a business enterprise located in one country which is directly or indirectly owned or controlled by a person of another country to the extent of 10 per centum or more of its voting stock for an incorporated business or an equivalent interest for an unincorporated business, including a branch.
  - 1. Foreign affiliate** means an affiliate located outside the United States in which a U.S. person has direct investment.
  - 2. U.S. affiliate** means an affiliate located in the United States in which a foreign person has direct investment.
- K. Affiliated foreign person** means, with respect to a given U.S. person, (i) a foreign affiliate of which the U.S. person is a U.S. parent, or (ii) the foreign parent or other member of the affiliated foreign group of which the U.S. person is a U.S. affiliate.
- L. Unaffiliated foreign person** means, with respect to a given U.S. person, any foreign person that is not an affiliated foreign person as defined in paragraph K above.
- M. Fiscal year** is the U.S. Reporter's financial reporting year that has an ending date in calendar year 2000.
- N. Country** means, for purposes of this survey, the country of location of the foreign person with whom a transaction has occurred.

## III. GUIDELINES FOR CATEGORIZING ACTIVITIES

### A. Distinguishing between unaffiliated and affiliated transactions

This survey covers U.S. persons' direct services transactions, both sales and purchases, with unaffiliated foreign persons – that is, with foreign persons that are neither the foreign affiliate nor the foreign parent of the U.S. person filing the report. For definitions of terms, see II. above.

Examples of reportable transactions are:

- 1.** A transaction between a U.S. person and an unaffiliated foreign person.
- 2.** A transaction between one U.S. person and another U.S. person's foreign affiliate. Such a transaction is reportable by the first U.S. person.
- 3.** A transaction between a U.S. parent of a foreign affiliate, or a U.S. affiliate of a foreign parent, and an unaffiliated foreign person (whether or not the latter is affiliated with other U.S. persons). Such a transaction is reportable by the U.S. parent or the U.S. affiliate.

Examples of transactions that are **not** reportable are:

- 1.** A transaction between a U.S. person (U.S. parent) and its foreign affiliate.
- 2.** A transaction between a U.S. person (U.S. affiliate) and its foreign parent or other member of the affiliated foreign group.
- 3.** A transaction between a U.S. person's foreign affiliate and another foreign person. Such a transaction is not reportable because it is a foreign-to-foreign transaction.
- 4.** A transaction between a U.S. person and another U.S. person (whether or not either or both parties are affiliated with foreign persons). Such a transaction is not reportable because it is a U.S.-to-U.S. transaction.

Transactions between U.S. parents and their foreign affiliates, and between foreign affiliates and other foreign persons, are already reportable in the surveys of U.S. direct investment abroad (BE-10, BE-11, and BE-577). Transactions between U.S. affiliates and their foreign parents or other members of their affiliated foreign groups are already reportable in the surveys of foreign direct investment in the United States (BE-12, BE-13, BE-15, BE-605, and BE-605 Bank).



## GENERAL INSTRUCTIONS – Continued

### B. Foreign activities of a U.S. person that do not constitute a foreign affiliate

Transactions with unaffiliated foreign persons by or through a foreign "activity" of a U.S. person that is not a foreign affiliate must be reported on the BE-22, if the activities are in covered types of services. Any of the services covered by this survey may also be provided at a foreign location through a foreign affiliate. Such transactions are not reportable in this survey. Before completing this survey, therefore, reporters must determine whether or not the services are conducted through a foreign activity that is not a foreign affiliate or through a foreign affiliate.

Although the definitions of direct investment and foreign affiliate in II. above, together with the discussion in III.A. above, should be sufficient to determine whether a given foreign activity is or is not a foreign affiliate, in a number of cases the determination may be difficult. Several factors to be considered are given below. If you still cannot determine if the activity or operation is an affiliate, call (202) 606-5588 for additional guidance. Also, if you think that an activity or operation currently reported as an affiliate is incorrect, please call and a determination of future reporting status will be made.

If a U.S. person's foreign activity or operation is incorporated abroad, it is a foreign affiliate.

If a U.S. person's foreign activity or operation is **not** incorporated abroad, its status is based on the weight of the evidence when the factors listed below are considered.

An unincorporated foreign activity or operation generally **would** be considered a foreign affiliate if it: (i) pays foreign income taxes; (ii) has a substantial physical presence abroad (e.g., plant and equipment or employees); (iii) maintains separate financial records that would permit the preparation of financial statements, including an income statement and balance sheet (not just a record of disbursements and receipts); (iv) takes title to the goods it sells and receives revenues therefrom; or (v) receives funds for its own account from customers for services it performs.

An unincorporated foreign activity or operation generally **would not** be considered a foreign affiliate if it: (i) conducts business abroad only for the U.S. person's account and not for its own account (e.g., sales promotion or public relations type of activities); (ii) has no separate financial statements; (iii) receives funds to cover its expenses only from the U.S. person; (iv) pays no foreign income taxes; and (v) has limited physical assets, or employees, permanently located abroad.

**Note** that a diverse group of activities that do not constitute foreign affiliates are covered by services numbered 15-21 in VII. of these General Instructions. For activities that are covered by these services, the respondent is asked to provide a breakdown by country of the total amount of the funding for these activities.

### C. U.S. activities of a foreign person that do not constitute a U.S. affiliate

Criteria for determining which U.S. activities do or do not constitute a U.S. affiliate of a foreign person are parallel to those in III.B. above.

### D. Determining who must report a transaction when an intermediary is involved

At times, transactions between a U.S. person and an unaffiliated foreign person may be arranged by, billed through, or otherwise facilitated by, an intermediary. The intermediary may be U.S. or foreign, and may be affiliated or unaffiliated with the U.S., or the foreign, person.

A determination of who a sale is to, or who a purchase is from, shall be made on the basis of who the U.S. person considers itself to have a claim on for payment, in the case of a sale, or who it has a liability to, in the case of a purchase. For a sale, if the U.S. person looks to the unaffiliated foreign person for payment, then the transaction is between the U.S. person and unaffiliated foreign person, and is to be reported by the U.S. person. If the U.S. person looks to the intermediary for payment, and the intermediary, in turn, looks to the foreign person for payment, then whether either transaction is reportable, and who it is to be reported by, depends on the location of the intermediary and the relationship between the U.S. person and the intermediary.

If the intermediary is a foreign person, then the U.S. person would report the transaction, provided the intermediary is not affiliated with the U.S. person. (If they are affiliated, then the transaction is not reportable in this survey.)

If the intermediary is a U.S. person, then the initial transaction between the original U.S. person and the intermediary is domestic-to-domestic and not reportable in the survey. However, the intermediary must report the transaction with the foreign person, provided the intermediary is not affiliated with the foreign person. (If they are affiliated, then the transaction is not reportable in this survey.)

The reportability of a purchase would be determined in a similar manner.

### IV. OPTIONAL CHECKLIST OF SERVICES TRANSACTIONS BETWEEN COMPANY UNIT AND UNAFFILIATED FOREIGN PERSONS

For the convenience of reporters, an "Optional Checklist" is provided in Supplement A, to help diversified companies determine, without a records search, whether or not the "parts" or units of the company had reportable services transactions, either sales or purchases, with unaffiliated foreign persons in the fiscal year.

If, for any sales or purchases category, a "part" or unit of the company answers "Yes" to the question of whether it had a transaction in a particular type of service, that "part" or unit must be included in the company's report under the survey's mandatory reporting requirement if the U.S. Reporter's total transactions in that service exceed \$1,000,000. (See I.A.1. of these General Instructions.) Even if the U.S. Reporter's total transactions are \$1,000,000 or less, a "Yes" answer to the question of whether the "part" or unit had any transactions can be used to help determine if the transactions of that "part" or unit should be included in the company's report on a voluntary basis. (See I.A.2. of these General Instructions.)

Companies should reproduce the checklist for distribution to their "parts" or units if they decide to use it in preparing their reports. The checklist is optional; it is for the internal use of reporters only and should not be returned to BEA with Form BE-22.

Some companies may find it advantageous to adapt the "Optional Checklist" to accommodate their own particular corporate structure or data collection procedures.

### V. RELATED FORMS

Persons receiving this form should be aware of ten other forms on services that are required to be filed on a mandatory basis with BEA (see 15 CFR, Part 801, Section 9).

**BE-20** Benchmark Survey of Selected Services Transactions With Unaffiliated Foreign Persons

**BE-29** Foreign Ocean Carriers' Expenses in the United States

**BE-30** Ocean Freight Revenues and Foreign Expenses of United States Carriers

**BE-36** Foreign Airline Operators' Revenues and Expenses in the United States

**BE-37** U.S. Airline Operators' Foreign Revenues and Expenses

**BE-47** Annual Survey of Construction, Engineering, Architectural, and Mining Services Provided by U.S. Firms to Unaffiliated Foreign Persons

**BE-48** Annual Survey of Reinsurance and Other Insurance Transactions by U.S. Insurance Companies with Foreign Persons

**BE-80** Benchmark Survey of Financial Services Transactions Between U.S. Financial Services Providers and Unaffiliated Foreign Persons

**BE-82** Annual Survey of Financial Services Transactions Between U.S. Financial Services Providers and Unaffiliated Foreign Persons

**BE-93** Annual Survey of Royalties, License Fees, and Other Receipts and Payments for Intangible Rights Between U.S. and Unaffiliated Foreign Persons

The types of transactions reportable on those forms are not covered by this survey. To receive a copy of form BE-29, BE-30, BE-36, or BE-37, telephone BEA at (202) 606-9559. To receive a copy of form BE-20, BE-47, BE-48, BE-80, BE-82, or BE-93, telephone BEA at (202) 606-5588.



## GENERAL INSTRUCTIONS – Continued

### VI. REPORTING PROCEDURES

- A. Due date** – A completed BE-22 is due on March 31, 2001.
- B. Fiscal year reporting period** – This report covers fiscal year 2000, which is your most recent fiscal year that ended on or before December 31, 2000. If your most recent fiscal year ended after December 31, 2000, please call for assistance.
- C. Extension** – Requests for an extension of the reporting deadline will not normally be granted. However, in a hardship case, a written request for an extension will be considered if it is received at least 15 days before the due date. BEA will provide a written response to such a request.
- D. For assistance or additional copies of the forms** – Phone (202) 606-5588 between 8:30 a.m. and 5:00 p.m., eastern time.
- E. Original and file copies** – A single original copy of each form or schedule must be filed with BEA. Please use the copy with the address label if such a labeled copy has been provided. In addition, each U.S. Reporter must retain a copy of its report to facilitate resolution of problems; these copies should be retained by the U.S. Reporter for a period of not less than 3 years beyond the form's original due date.
- F. Where to send the report** – Send reports filed by mail through the U.S. Postal Service to:
- U.S. Department of Commerce  
Bureau of Economic Analysis  
BE-50(SSB)  
Washington, DC 20230.
- Address report filed by direct private express delivery to:
- U.S. Department of Commerce  
Bureau of Economic Analysis, BE-50(SSB)  
Shipping & Receiving Section M-100  
1441 L Street, N.W.  
Washington, DC 20005
- G. Estimates** – If actual figures are not available, report estimates and label them as such. When data items cannot be fully subdivided as required, report totals and an estimated breakdown of the totals.

### VII. SERVICES COVERED

*Report sales of services numbered 1–20 and 26–28 on Schedule A, and report purchases of services numbered 1–24, 27, and 28 on Schedule B. Report purchases of financial services (service number 25) on Schedule C.*

- 1. Advertising services** – Preparation of advertising and placement of such advertising in media, including charges for media space and time. Include advertising banners on web pages. An advertising agency selling such services should report **gross billings** to unaffiliated foreigners. Sales by media companies (e.g. broadcasters, publishers, etc.) that are arranged through U.S. advertising agencies are presumed to be reflected in billings of the advertising agencies; thus, in order to avoid duplication, they should not be reported by the media suppliers. U.S. advertising agencies should report only direct transactions with unaffiliated foreign clients. Exclude transactions that are with the U.S. affiliates of foreign clients, rather than directly with foreign clients; such transactions are considered domestic (U.S.-to-U.S.) and are, therefore, outside the scope of this survey. Exclude charges for services other than advertising, such as public relations services or market research not directly associated with an advertising campaign. Such services should be reported under service number 6. U.S. media companies should report only direct sales of advertising services to unaffiliated foreign persons; they should not report advertising arranged by U.S. advertising agencies, including U.S. affiliates of foreign advertising agencies.

Under **purchases** of advertising services, U.S. Reporters that are advertising agencies should report only funds paid to foreign advertising agencies and media companies on behalf of its clients. U.S. Reporters other than advertising agencies should report only purchases made directly from foreign advertising agencies and media companies. Do not report purchases made through a U.S. advertising agency. Also, do not report purchases made through the U.S. office of a foreign advertising agency if your payment is made to the U.S. office.

Include the value of reciprocal exchanges; i.e., transactions involving barter. On Schedule A, value your sales to the foreign participant in the reciprocal exchange at market rates, not at the actual cost of performing the services. On Schedule B, value your purchases from the foreign participant at the same amount as the sales reported on Schedule A.

- 2. Computer and data processing services** – Data entry processing (both batch and remote), and tabulation; computer systems analysis, design, and engineering; custom software and programming services (including web site design); integrated hardware/software systems; and other computer services (e.g., timesharing, maintenance, web site management, and repair). Exclude the following:
- (a) Operational leasing of computer and data processing equipment – report under service 27, Operational leasing
  - (b) Rights to use, distribute, or reproduce general use software – report on Form BE-93, Annual Survey of Royalties, License Fees, and Other Receipts and Payments for Intangible Rights Between U.S. and Unaffiliated Foreign Persons
  - (c) Prepackaged computer software physically shipped to or from the United States and reported on the import or export declaration filed with the U.S. Customs Service.
- 3. Data base and other information services** – Business and economic data base services, including business news, stock quotation, and financial information services; medical, legal, technical, demographic, bibliographic, and similar data base services; general news services, such as those purchased from a news syndicate, direct non-bulk subscriptions (including online) to newspapers and periodicals; and other information services, including reservation systems and credit reporting and authorization systems. For airline reservation systems, includes booking fees from foreign carriers for the use of your reservation system, whether accessed directly or by a U.S. or foreign travel agent.
- 4. Telecommunications services** – Includes services of the following types (to be reported in a single column, rather than as five separate types of services):

**Message telephone services, telex, telegram, and other jointly provided basic services** – On Schedule A, report receipts from foreign persons (communications companies and postal, telephone, and telegraph agencies) for your share of revenues for transmitting messages originating abroad to U.S. destinations. On Schedule B, report payouts to foreign persons (communications companies and PTT's) for their share of revenues for transmitting messages originating in the United States to foreign destinations. For messages originating in foreign countries and routed through the United States (for example, from Caribbean countries via the United States to Western Europe), report receipts from the foreign person originating the message and payouts to the country of destination. Also report receipts for transmitting messages between foreign points when not offered in connection with enhanced services, call-back services, and other regulated services of the type reportable to the FCC on Report 43.61.

**Private leased channel services** – On Schedule A, report receipts from foreign persons for circuits and channels terminating in the United States and for circuits and channels between foreign points. On Schedule B, report payouts to foreign persons (communications companies and PTT's) for leased channels and circuits terminating in foreign countries.

**Value-added (enhanced) services** – Telecommunications services that add value or function above and beyond the telecommunications transport services that deliver the value-added services to end users. They can include (a) electronic mail, voice mail, code and protocol processing, and management and operation of data networks; (b) facsimile services and video-conferencing; (c) Internet connections (online access service including Internet Backbone, router services and broadband access services); and (d) other value-added (enhanced) services. (Facsimile services and video-conferencing should be considered as value-added only if the company provides the facilities and equipment; a company that provides solely the telecommunications transmission for these services should report receipts and payouts on Schedules A and B).

**Support services** – Services related to the maintenance and repair of telecommunications equipment; ground station services (where the ground station is not an "affiliate"); capacity leasing for transiting; and launching of communications satellites.

**Reciprocal exchanges** – Include the value of reciprocal exchanges; i.e., transactions involving barter. On Schedule A, value your sales to the foreign participant in the reciprocal exchange at market rates, not at the actual cost of performing the services. On Schedule B, value your purchases from the foreign participant at the same amounts as the sales reported on Schedule A.

- 5. Research, development, and testing services** – Commercial and noncommercial research, product development services, and testing services. Includes fees for the conduct of experiments or performance of research and development activities aboard spacecraft. Excludes medical and dental laboratory services.



## GENERAL INSTRUCTIONS – Continued

- 6. Management, consulting, and public relations services –** Management services, except management of health care facilities; consulting services, except consulting engineering services related to actual or proposed construction or mining services projects (report purchases under service number 24, and report sales on BEA Form BE-47 – see V. of these General Instructions) and computer consulting (report under service number 2); and public relations services, except those that are an integral part of an advertising campaign (report under service number 1). Excludes management and operation of a business where operating staff as well as management is provided. (Generally, such operations would be deemed to constitute a U.S. affiliate to be reported on BEA's direct investment surveys rather than on this survey.)
- 7. Accounting, auditing, and bookkeeping services –** Excludes data processing and tabulation services (report under service number 2).
- 8. Legal services –** Legal advice or other legal services. Insurance companies should include fees paid as compensation for claims adjustment services.
- 9. Educational and training services –** Educational or training services provided on a contract or fee basis. Excludes tuition and fees charged to individual U.S. or foreign students by educational institutions. Also excludes training done by a manufacturer in connection with the sale of a good (reportable under service number 11).
- 10. Industrial engineering services –** Engineering services related to the design of movable products, including product design services. Excludes engineering and architectural services that relate to immovable products, such as those that relate to actual or proposed construction or mining services projects (report purchases under service number 24, and report sales on BEA Form BE-47 - see V. of these General Instructions). Excludes computer systems engineering (reportable under service number 2). Includes, however, services performed with the assistance of computers, such as computer-assisted design work.
- 11. Industrial-type maintenance, installation, alteration, and training services –** Maintenance services primarily to machinery and equipment. May also include small maintenance work on buildings, structures, dams, highways, etc., but only to the extent that the work is not reported under service number 24. Would include such services as the periodic overhaul of turbines, the extinguishment of natural gas well fires, and refinery maintenance. Excludes computer maintenance (report under service number 2). Installation and training services include only installation, startup, and training services provided by a manufacturer in connection with the sale of a good. Do not include such services where the cost is included in the price of the goods and not separately billed, or is declared as a part of the price of the goods on the import or export declaration filed with the U.S. Customs Service; however, services provided at a price over and above that entered on the declaration should be included. These services would be reported elsewhere if not received in connection with the purchase of goods. For example, installation of machinery and equipment is normally considered a construction activity, and training personnel in the use of new machinery would ordinarily be reported as an educational or training service. *other delete this sentence if it is not true or if it is true say (see service number 9) or use do*
- 12. Performing arts, sports, and other live performances, presentations, and events –** Fees received (net of allowances for foreign expenses) or paid (net of allowances for U.S. expenses) for performing arts, sports, etc. To be reported by (a) U.S. management companies, booking agents, promoters, and presenters who received funds from or paid funds to foreign persons, for performances and events, and (b) U.S. performers who received funds directly from a foreign person rather than through a U.S. management company or similar entity. (As used here, "performers" means entertainers, sports teams, orchestras, dance companies, lecturers, athletes who do not play for sports teams, and similar persons or performing groups.)
- 13. Sale or purchase of rights to natural resources, and lease bonus payments –** Receipts from the sale of, or payments for the acquisition of, rights to natural resources located in the United States and abroad, and lease bonus payments. Excludes sales or purchases of rights to surface land.
- 14. Use or lease of rights to natural resources, excluding lease bonus payments –** Receipts or payments for the use of rights to natural resources located in the United States and abroad, including oil or mining production royalties. Excludes lease bonus payments (reportable under service number 13) and sales or purchases of rights to surface land.
- Note for services numbered 15-21:** Where a set of related expenditures was made in several countries, but your recordkeeping does not permit a precise allocation of expenses among individual countries, estimates are acceptable. If no basis for such estimates exists, then it is permissible to record the expenditures against the country in which the activities were centered or headquartered. For example, a news correspondent may conduct news-gathering activities in several countries. Although it would be preferable to report news-gathering expenses in each of the several countries, all of the expenses may, if necessary, be recorded against the country where the foreign news bureau is headquartered, or where the correspondent had the largest outlays.
- 15. Disbursements to fund news-gathering costs of broadcasters –** U.S. broadcasters' outlays to fund operations of their foreign news bureaus and for support of correspondents in foreign countries, and foreign broadcasters' outlays to fund operations of their U.S. news bureaus and for support of correspondents in the United States. (See note above.)
- 16. Disbursements to fund news-gathering costs of print media –** Outlays by U.S. newspapers, news syndicates, and news magazines for the operation of their foreign news bureaus, and outlays by foreign newspapers, news syndicates, and news magazines for the operation of their U.S. news bureaus. (See note above service number 15.)
- 17. Disbursements to fund production costs of motion pictures –** Foreign production costs of U.S. motion picture companies, and U.S. production costs of foreign motion picture companies. (See note above service number 15.)
- 18. Disbursements to fund production costs of broadcast program material other than news –** Foreign production costs of U.S. companies engaged in the production of broadcast material other than news, and U.S. production costs of foreign companies engaged in the production of broadcast material other than news. (See note above service number 15.)
- 19. Disbursements to maintain government tourism and business promotion offices –** Funding to maintain State tourism and business promotion offices located abroad, and funding to maintain foreign government sponsored tourism and business promotion offices located in the United States. (See note above service number 15.)
- 20. Disbursements for sales promotion and representation –** Funding to maintain sales promotion and representative offices, and commissions or "finder's fees" to unaffiliated (independent) sales agents. Sales promotion offices typically have few assets other than office furniture; to the extent that their employees are compensated by commissions, the commissions arise only from sales or business that the employees generate for their U.S. or foreign parents; they do not produce revenue, other than funds from their parents to cover their expenses; and they are engaged only in sales promotion, representational, public-relations-type activities, or the gathering of market information, on behalf of their parents. If an office produces revenues for its own account from goods or services it provides to unaffiliated persons, then it is considered a U.S. or foreign affiliate and is subject to the reporting requirements for BEA's direct investment surveys. (See note above service number 15.)
- 21. Disbursements to participate in foreign trade shows (outlays only) –** Foreign expenses incurred by U.S. persons participating in foreign trade shows. (See note above service number 15.)
- Note for services numbered 22 and 23:** When you report either service number 22 or 23, also report the other service. If there are transactions in one of these services but not in the other, label a column in Schedule B with the number for the other service and enter "NA" in line 1 or 32.
- 22. Primary insurance premiums (purchases only) –** Premiums (net of cancellations) paid to unaffiliated foreign insurance carriers. A U.S. Reporter should not report direct transactions with a foreign insurance company that is its foreign affiliate; such transactions are to be reported on direct investment survey BE-577. A U.S. Reporter should, however, report direct transactions with a foreign insurance company that is an affiliate of another U.S. company, as the U.S. Reporter and the foreign insurance company are unaffiliated. (See note above.)
- 23. Losses recovered on primary insurance (purchases only) –** Losses recovered on insurance purchased from unaffiliated foreign insurance carriers. (See note above service number 22.)



## GENERAL INSTRUCTIONS – Continued

### VII. SERVICES COVERED – Continued

- 24. Construction, engineering, architectural, and mining services (purchases only)** – Includes purchases of the following types of services: services of general contractors in the fields of building and heavy construction; construction work by special trade contractors, such as the erection of structural steel for bridges and buildings and on-site electrical work; architectural, engineering, and land-surveying services; and mining services, including oil and gas field services. Includes only those engineering services purchased in conjunction with construction and mining services projects; industrial engineering services, such as product design services, should be reported under service number 10. Includes services purchased in connection with proposed projects (e.g.; feasibility studies) as well as projects that are actually being carried out.

**Note** that the U.S. Reporter's sales of construction, engineering, architectural, and mining services are not reportable on this survey, but on separate BEA Form BE-47.

- 25. Financial services (purchases only)** – Purchases from foreigners of financial services by U.S. firms, or domestic subsidiaries of U.S. firms, that are **not** financial services intermediaries or providers. Such purchases should be reported on Schedule C. See Schedule C for a more detailed description of the types of transactions that are covered.
- 26. Merchanting services** – (Report sales/receipts on Schedule A; purchases/payments are not reportable): For this service, only the value of merchanting services for all foreign countries combined (i.e., the global total for all foreign merchanting services) must be reported; data by individual foreign country may be reported voluntarily.

The value of merchanting services is equal to the **difference** between your cost for, and the resale price of, goods (such as crude oil, grain, and other commodities) that are both purchased and resold abroad; that is, the goods are neither imported to, nor exported from, the United States, and they do not undergo significant processing during the time between when they are purchased and resold. Without regard to whether you initially purchased the goods from an affiliated or unaffiliated foreign person, report data only for those transactions where you resold goods to an unaffiliated foreign person (i.e., a person who is neither your foreign affiliate nor a member of your foreign parent group). The data that are voluntarily reported by individual foreign country should be reported according to the individual foreign countries to which the goods were resold (and not the foreign countries from which the goods were purchased).

- 27. Operational leasing services** – Rentals for computer and data processing equipment; transportation equipment (such as ships, aircraft, railway cars, containers, rigs, automobile fleets, etc.) **without** crew or operators (if crew or operators are also provided, the fee is considered to be for transportation services, which are not reportable on the BE-22 but may be reportable on BEA forms BE-30, BE-36, or BE-37 – see V. of these General Instructions); and all other machinery and equipment. This category excludes rentals under leases that have been capitalized (capital leases), and rentals of any items other than machinery and equipment. (For example, it excludes rentals of office buildings and other real estate, film rentals, and employee leasing.)

- 28. Other private services** – Report transactions in the following types of services: Language translation services, security services, collection services, actuarial services, salvage services, satellite photography services, and oil spill and toxic waste cleanup services; i.e., this category **excludes** transactions in services not on this list. When reporting data under this service number, also identify on Schedule A or Schedule B, as appropriate, the specific type of service from the list above accounting for the largest share of the reported total.



**SUPPLEMENT A - OPTIONAL CHECKLIST OF SERVICES TRANSACTIONS BETWEEN COMPANY UNIT AND UNAFFILIATED FOREIGN PERSONS**  
**ANNUAL SURVEY OF SELECTED SERVICES TRANSACTIONS WITH UNAFFILIATED FOREIGN PERSONS**

This checklist is provided with the BE-22 survey for the internal use and convenience of Reporters only and is not to be returned to BEA.

The purpose of this checklist is to facilitate the determination of whether or not the "parts" or units of a given U.S. company had any of the various services transactions covered by the survey, either sales (receipts) or purchases (payments), with unaffiliated foreign persons during the respondent's fiscal year. (The term "persons" includes business enterprises, governments, individuals, and other organizations and entities.)

For companies with diverse operations, this checklist should be directed to persons in the various parts of the company who are knowledgeable about the parts' sales and purchasing activities and who can say, in their judgement, with a reasonable degree of certainty without conducting a records search, whether or not a part engaged in covered transactions. Because companies organize their operations and accounting systems in different ways, these parts of a company might variously be referred to as profit centers, business units, divisions, subsidiaries, plant sites, establishments, operating centers, etc., or some combination thereof. All parts of the domestic company must be covered, although all need not be given the checklist, since some might already be known by headquarters to have, or not have, reportable transactions.

Definitions of the various types of services are on the reverse side of this checklist. Note that in several cases - advertising (service number 1); telecommunications (service number 4); performing arts, etc. (service number 12); miscellaneous disbursements (services numbered 15-21); and rights to natural resources (services numbered 13 and 14) - measures other than, or in addition to, sales of services and purchases of services should be used in completing the checklist.

The guidelines listed below apply to this checklist.

- Both sales and purchases of services should relate to the company's fiscal year.
- Transactions by the U.S. operations ONLY are covered. Transactions by or with foreign branches or subsidiaries (foreign affiliates) of the U.S. company are NOT covered, NOR are transactions by or with a foreign parent company.
- In reporting purchases, include items meeting the above criteria, without regard to whether they were charged as an expense on the income statement, capitalized, or charged to inventories.
- "Foreign" means that which is situated outside the United States and its territories and possessions. Therefore, transactions with companies located in the United States that have foreign parents are NOT includable; and transactions with foreign affiliates of other U.S. companies ARE includable.
- Foreign persons are considered to be "unaffiliated" if (a) the U.S. company's ownership percentage (direct and indirect) in the foreign person is less than 10 percent or (b) the foreign person's ownership percentage (direct and indirect) in the U.S. company is less than 10 percent. (Questions as to whether a particular foreign company is affiliated or unaffiliated should be referred to the person named in the box below.)
- Includable transactions are determined by the above criteria, without regard to WHERE the services were performed. For example, services performed abroad by a respondent are covered if the respondent's U.S. operations performed the services instead of a foreign affiliate. Similarly, purchases of services from unaffiliated foreign persons are includable without regard to WHERE such services were performed.

Person in company headquarters to contact concerning questions about this survey.

TELEPHONE

Name \_\_\_\_\_

Area code	Number	Extension
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**OPTIONAL SALES AND PURCHASES CHECKLIST**

For each service listed, for both sales and purchases, mark (X) "Yes" or "No" as to whether, in your judgement, your part of the company had any transactions with unaffiliated foreign persons during the fiscal year. If the answer is "Yes," enter the estimated amount of the transactions in column (c) (SALES) or column (f) (PURCHASES).

Type of service	SALES			PURCHASES		
	Had any transactions?		Estimated amount Report in dollars (c)	Had any transactions?		Estimated amount Report in dollars (f)
	Yes (a)	No (b)		Yes (d)	No (e)	
1. Advertising services						
2. Computer and data processing services						
3. Data base and other information services						
4. Telecommunications services						
5. Research, development, and testing services						
6. Management, consulting, and public relations services						
7. Accounting, auditing, and bookkeeping services						
8. Legal services						
9. Educational and training services						
10. Industrial engineering services						
11. Industrial-type maintenance, installation, alteration, and training services						
12. Performing arts, sports, and other live performances, presentations and events						
13. Sale or purchase of rights to natural resources, and lease bonus payments						
14. Use or lease of rights to natural resources, excluding lease bonus payments						
15. Disbursements to fund news-gathering costs of broadcasters						
16. Disbursements to fund news-gathering costs of print media						
17. Disbursements to fund production costs of motion pictures						
18. Disbursements to fund production costs of broadcast program material other than news						
19. Disbursements to maintain government tourism and business promotion offices						
20. Disbursements to maintain sales promotion and representation						
21. Disbursements to participate in foreign trade shows			Not reportable			
22. Premiums paid on primary insurance			Not reportable			
23. Losses recovered on primary insurance			Not reportable			
24. Construction, engineering, architectural, and mining services			Not reportable			
25. Financial services			Not reportable			
26. Merchenting services						Not reportable
27. Operational leasing services						
28. Other private services						

Person completing this form for part or unit of company, complete box on reverse side.



## DEFINITIONS OF TYPES OF SERVICES

1. **Advertising services** – Preparation of advertising and placement of such advertising in media, including charges for media space and time. Include advertising banners on web pages. An advertising agency selling services should use **gross billings** to unaffiliated foreigners in completing the checklist.
2. **Computer and data processing services** – Data entry, processing (both batch and remote), and tabulation; computer systems analysis, design, and engineering; custom software and programming services (including web site design); integrated hardware/software systems; and other computer services (e.g., timesharing, maintenance, web site management, and repair). **Excludes general use computer software royalties and license fees; for 1997 and the following years these transactions are to be reported on the Form BE-93, Annual Survey of Royalties, License Fees, and Other Receipts and Payments for Intangible Rights Between U.S. and Unaffiliated Foreign Persons.**
3. **Data base and other information services** – Business and economic data base services, including business news, stock quotation, and financial information services; medical, legal, technical, demographic, bibliographic, and similar data base services; general news services, such as those provided by a news syndicate; and other information services, including reservation systems and credit reporting and authorization systems.
4. **Telecommunications services**
  - a. **Message telephone services (communications carriers only)** – Receipts from foreign persons (communications companies and postal, telephone, and telegraph agencies (PTT's)) for own share of revenues for transmitting messages originating abroad to U.S. destinations, and payouts to foreign persons (communications companies and PTT's) for their share of revenues for transmitting messages originating in the United States to foreign destinations.
  - b. **Private leased channel services** – Receipts from foreign persons for circuits and channels terminating in the United States and for circuits and channels between foreign points, and payouts to foreign persons for leased channels and circuits terminating in foreign countries.
  - c. **Telex, telegram, and other jointly provided (basic) services** – Includes telex and telegram services, packet switched services when not offered in connection with enhanced services, and other regulated services of the type reportable to the FCC on Report 4361.
  - d. **Value-added (enhanced) services** – Telecommunications services that add value or function above and beyond the telecommunications transport services that deliver the value-added services to end users. They can include (i) electronic mail, voice mail, code and protocol processing, and management of data networks; (ii) facsimile services and video-conferencing; (iii) Internet connections (online access service including Internet Backbone, router services and broadband access services); and (iv) other value-added (enhanced) services.
  - e. **Support services** – Services related to the maintenance and repair of telecommunications equipment; ground station services; capacity leasing for transiting; and launching of communications satellites.
5. **Research, development, and testing services** – Commercial and noncommercial research, product development services, and testing services. Includes fees for the conduct of experiments or performance of research and development activities aboard spacecraft. Excludes medical and dental laboratory services.
6. **Management, consulting, and public relations services** – Management services, except management of health care facilities; consulting services, except consulting engineering services related to actual or proposed construction or mining services projects (see 24) and computer consulting (see 2); and public relations services, except those that are an integral part of an advertising campaign (see 1).
7. **Accounting, auditing, and bookkeeping services** – Excludes data processing and tabulating services (see 2).
8. **Legal services** – Legal advice or other legal services, including insurance claims adjustment services.
9. **Educational and training services** – Educational or training services provided or acquired on a contract or fee basis. Excludes tuition and fees charged to individual students, as well as training done by a manufacturer in connection with the sale of a good (see 11).
10. **Industrial engineering services** – Engineering services related to the design of movable products, including product design services. Excludes services that relate to immovable products, such as those that relate to actual or proposed construction or mining services projects (see 24).
11. **Industrial-type maintenance, installation, alteration, and training services** – Maintenance services primarily to machinery and equipment. May also include small maintenance work on buildings, structures, dams, highways, etc., but only to the extent that the work is not reportable under service number 24. Would include such services as the periodic overhaul of turbines, the extinguishment of natural gas well fires, and refinery maintenance. Excludes computer maintenance (report under service number 2). Installation and training services include only installation, startup, and training services provided by a manufacturer in connection with the sale of a good. Do not include such services where the cost is included in the price of the goods and not separately billed, or is declared as a part of the price of the goods on the import or export declaration filed with the U.S. Customs Service; however, services provided at a price over and above that entered on the declaration should be included. These services would be reported elsewhere if not received in connection with the purchase of goods. For example, installation of machinery and equipment is normally considered a construction activity, and training personnel in the use of new machinery would ordinarily be reported as an educational or training service.
12. **Performing arts, sports, and other live performances, presentations, and events** – Fees received (net of allowances for foreign expenses) or paid (net of allowances for U.S. expenses) for performing arts, sports, etc. To be reported by (a) U.S. management companies, booking agents, promoters, and presenters who received funds from or paid funds to foreign persons, for performances and events, and (b) U.S. performers who received funds directly from a foreign person rather than through a U.S. management company or similar entity. (As used here, "performers" means entertainers, sports teams, orchestras, dance companies, lecturers, athletes who do not play for sports teams, and similar persons or performing groups.)
13. **Sale or purchase of rights to natural resources, and lease bonus payments** – Receipts from the sale of, or payments for the acquisition of rights to natural resources located in the United States and abroad, and lease bonus payments. Excludes sales of purchases of rights to surface land.
14. **Use or lease of rights to natural resources, excluding lease bonus payments** – Receipts or payments for the use of rights to natural resources located in the United States and abroad, including oil or mining production royalties. Excludes lease bonus payments (reportable under 13) and sales or purchases of rights to surface land.
- 15-21. **Miscellaneous disbursements** – Disbursements or outlays to fund news-gathering costs of broadcasters and the print media; production costs of motion picture companies and companies engaged in the production of broadcast program material other than news; and costs of maintaining tourism, business promotion, and representative offices, and for participating in foreign trade shows.
22. **Primary insurance premiums (purchases only)** – Applies only to insurance purchased from foreign insurance carriers. Equals premiums paid minus cancellations. Excludes reinsurance transactions.
23. **Losses recovered on primary insurance (purchases only)** – Applies only to claims recovered on purchases of primary insurance.
24. **Construction, engineering, architectural, and mining services** – Covers only **purchases** of the following types of services: Services of general contractors in the fields of building and heavy construction; construction work by special trade contractors, such as the erection of structural steel for bridges and buildings and on-site electrical work; architectural, engineering, and land-surveying services; and mining services, including oil and gas field services. Includes only those engineering services purchased in conjunction with construction and mining services projects; industrial engineering services, such as product design services, are included in 10. Includes services purchased in connection with proposed projects (e.g., feasibility studies) as well as projects that are actually being carried out.
25. **Financial services** – Payments to foreigners of credit-related fees; fees on securities transactions; and fees for other financial services by U.S. firms, or domestic subsidiaries of U.S. firms, that are not financial services intermediaries or providers. For transactions in "other" financial services, specify here or on an attachment the type of service that accounts for the largest share of the data reported.
26. **Merchandising services** – Sales of merchandising services are equal to the **difference** between your cost and the resale price of goods (such as crude oil, grain, and other commodities) that are both purchased and resold abroad; that is, the goods are neither imported to, nor exported from, the United States, and they do not undergo significant processing during the time between when they are purchased and resold. Without regard to whether the goods were initially purchased from an affiliated or unaffiliated foreign person, includes only transactions where the goods were resold to an unaffiliated foreign person.
27. **Operational leasing services** – Includes rentals for computer and data processing equipment; transportation equipment (such as ships, aircraft, railway cars, containers, rigs, automobile fleets, etc.) **without** crew or operators; and all other machinery and equipment. Excludes rentals under leases that have been capitalized (capital leases), rentals of transportation equipment **with** crew, and rentals of any items other than machinery and equipment. (For example, excludes rentals of office buildings and other real estate, film rentals, and employee leasing.)
28. **Other private services** – Includes transactions in only the following types of services: Language translation services, security services, collection services, actuarial services, salvage services, satellite photography services, and oil spill and toxic waste cleanup services; i.e., this category **excludes** transactions in services not on this list.

*For the convenience of the person in the company headquarters who is preparing the consolidated BE-22 report, please complete the following.*

Part or unit of company this Supplement A is for:

Name of person in the part or unit of the company to contact concerning this Supplement A

TELEPHONE		
Area code	Number	Extension



**ANNUAL SURVEY OF SELECTED SERVICES TRANSACTIONS BETWEEN  
U.S. AND UNAFFILIATED FOREIGN PERSONS — 2004**  
(The report is mandatory and confidential)

Name and address of U.S. Reporter –  
Enter or correct as necessary

10001	1	
10002	2	
10003	3	
10004	4	

Complete and file this form or file electronically at [www.bea.gov/astar](http://www.bea.gov/astar).  
Assistance is available at (202) 606-5588, M-F 8:30 A.M. – 5:00 P.M., eastern time.

## How to file:

- Step 1. Verify or correct name and address of U.S. Reporter named in the mailing label and complete Part 1.
- Step 2. Complete Part 2.
- Step 3. Complete Part 3 and Schedules A and B based on the instructions given in Part 3.
- Step 4. File the completed form by March 31, 2005.

By mailing to: U.S. Department of Commerce  
Bureau of Economic Analysis  
BE-50(SSB)  
Washington, DC 20230

delivering form to: U.S. Department of Commerce  
Bureau of Economic Analysis  
BE-50(SSB)  
Shipping and Receiving Section M-100  
1441 L Street, NW  
Washington, DC 20005

or Faxing form to: (202) 606-5318

File electronically at: [www.bea.gov/astar](http://www.bea.gov/astar)

**Part 1****1 Person to consult concerning questions about this report**

10005	1	Name
10006	2	Title
10007	3	Telephone number (    )
10008	4	FAX number (    )
10009	5	E-mail address

- 2** May we use e-mail to correspond with you to discuss questions relating to this form, including questions that may contain information about your company that you may consider confidential? (Note: Electronic mail is not inherently confidential. We will treat information we receive as confidential but your e-mail is not necessarily secure against interception by a third party.)

10010 1  Yes  
2  No

- 3 Certification** — The undersigned official certifies that this report has been prepared in accordance with the applicable instructions, is complete, and is substantially accurate except that, in accordance with VI.G of the General Instructions, estimates have been prepared where the data are not available from customary accounting records or precise data could not be obtained without undue burden.

Authorized official's signature

Print or type name

Date







**Part 3**

9 Follow the steps given below to determine whether you must complete the mandatory section, or are being requested to complete the voluntary section, of Schedules A and B on pages 5 and 6.

Step 1				Step 2		Step 3	
This survey covers transactions in selected types of services. Indicate below which types of service (either sales or purchases) involving any of the specified types of services, if any, occurred between the U.S. reporter and UNAFFILIATED FOREIGN PERSONS in the reporting period in item 4.				For each service transaction marked in Step 1, did TOTAL SALES to unaffiliated foreign persons exceed \$1 million during the reporting period in item 4?		For each service transaction marked in Step 1, did TOTAL PURCHASES from unaffiliated foreign persons exceed \$1 million during the reporting period in item 4?	
Mark all that apply. Complete descriptions are available in Section VII of the General Instructions.							
Type of Service	Code						
1 Advertising services . . . . .	1	20001	1 <input type="checkbox"/>	<sup>2</sup> 1 <input type="checkbox"/> Yes	<sup>2</sup> 2 <input type="checkbox"/> No	<sup>3</sup> 1 <input type="checkbox"/> Yes	<sup>2</sup> 2 <input type="checkbox"/> No
2 Auxiliary insurance services . . . . .	2	20002	1 <input type="checkbox"/>	<sup>2</sup> 1 <input type="checkbox"/> Yes	<sup>2</sup> 2 <input type="checkbox"/> No	<sup>3</sup> 1 <input type="checkbox"/> Yes	<sup>2</sup> 2 <input type="checkbox"/> No
3 Disbursements to fund news-gathering costs of broadcasters . . . . .	3	20003	1 <input type="checkbox"/>	<sup>2</sup> 1 <input type="checkbox"/> Yes	<sup>2</sup> 2 <input type="checkbox"/> No	<sup>3</sup> 1 <input type="checkbox"/> Yes	<sup>2</sup> 2 <input type="checkbox"/> No
4 Disbursements to fund news-gathering cost of print media . . . . .	4	20004	1 <input type="checkbox"/>	<sup>2</sup> 1 <input type="checkbox"/> Yes	<sup>2</sup> 2 <input type="checkbox"/> No	<sup>3</sup> 1 <input type="checkbox"/> Yes	<sup>2</sup> 2 <input type="checkbox"/> No
5 Disbursements to fund production cost of motion pictures . . . . .	5	20005	1 <input type="checkbox"/>	<sup>2</sup> 1 <input type="checkbox"/> Yes	<sup>2</sup> 2 <input type="checkbox"/> No	<sup>3</sup> 1 <input type="checkbox"/> Yes	<sup>2</sup> 2 <input type="checkbox"/> No
6 Disbursements to fund production costs of broadcast program material other than news . . . . .	6	20006	1 <input type="checkbox"/>	<sup>2</sup> 1 <input type="checkbox"/> Yes	<sup>2</sup> 2 <input type="checkbox"/> No	<sup>3</sup> 1 <input type="checkbox"/> Yes	<sup>2</sup> 2 <input type="checkbox"/> No
7 Disbursements to maintain government tourism and business promotion offices . . . . .	7	20007	1 <input type="checkbox"/>	<sup>2</sup> 1 <input type="checkbox"/> Yes	<sup>2</sup> 2 <input type="checkbox"/> No	<sup>3</sup> 1 <input type="checkbox"/> Yes	<sup>2</sup> 2 <input type="checkbox"/> No
8 Disbursements for sales promotion and representation . . . . .	8	20008	1 <input type="checkbox"/>	<sup>2</sup> 1 <input type="checkbox"/> Yes	<sup>2</sup> 2 <input type="checkbox"/> No	<sup>3</sup> 1 <input type="checkbox"/> Yes	<sup>2</sup> 2 <input type="checkbox"/> No
9 Disbursements to participate in foreign trade shows . . . . .	9	20009	1 <input type="checkbox"/>	<sup>2</sup> 1 <input type="checkbox"/> N/A	<sup>2</sup> 2 <input type="checkbox"/> N/A	<sup>3</sup> 1 <input type="checkbox"/> Yes	<sup>2</sup> 2 <input type="checkbox"/> No
10 Educational and training services . . . . .	10	20010	1 <input type="checkbox"/>	<sup>2</sup> 1 <input type="checkbox"/> Yes	<sup>2</sup> 2 <input type="checkbox"/> No	<sup>3</sup> 1 <input type="checkbox"/> Yes	<sup>2</sup> 2 <input type="checkbox"/> No
11 Financial services . . . . .	11	20011	1 <input type="checkbox"/>	<sup>2</sup> 1 <input type="checkbox"/> N/A	<sup>2</sup> 2 <input type="checkbox"/> N/A	<sup>3</sup> 1 <input type="checkbox"/> Yes	<sup>2</sup> 2 <input type="checkbox"/> No
(See Question 11, page 4)							
12 Medical services, inpatient . . . . .	12	20012	1 <input type="checkbox"/>	<sup>2</sup> 1 <input type="checkbox"/> Yes	<sup>2</sup> 2 <input type="checkbox"/> No	<sup>3</sup> 1 <input type="checkbox"/> N/A	<sup>2</sup> 2 <input type="checkbox"/> N/A
13 Medical services, other than inpatient . . . . .	13	20013	1 <input type="checkbox"/>	<sup>2</sup> 1 <input type="checkbox"/> Yes	<sup>2</sup> 2 <input type="checkbox"/> No	<sup>3</sup> 1 <input type="checkbox"/> N/A	<sup>2</sup> 2 <input type="checkbox"/> N/A
14 Merchanting services . . . . .	14	20014	1 <input type="checkbox"/>	<sup>2</sup> 1 <input type="checkbox"/> Yes	<sup>2</sup> 2 <input type="checkbox"/> No	<sup>3</sup> 1 <input type="checkbox"/> N/A	<sup>2</sup> 2 <input type="checkbox"/> N/A
15 Mining services . . . . .	15	20015	1 <input type="checkbox"/>	<sup>2</sup> 1 <input type="checkbox"/> Yes	<sup>2</sup> 2 <input type="checkbox"/> No	<sup>3</sup> 1 <input type="checkbox"/> Yes	<sup>2</sup> 2 <input type="checkbox"/> No
16 Other private services* . . . . .	16	20016	1 <input type="checkbox"/>	<sup>2</sup> 1 <input type="checkbox"/> Yes	<sup>2</sup> 2 <input type="checkbox"/> No	<sup>3</sup> 1 <input type="checkbox"/> Yes	<sup>2</sup> 2 <input type="checkbox"/> No
17 Other trade-related services . . . . .	17	20017	1 <input type="checkbox"/>	<sup>2</sup> 1 <input type="checkbox"/> Yes	<sup>2</sup> 2 <input type="checkbox"/> No	<sup>3</sup> 1 <input type="checkbox"/> Yes	<sup>2</sup> 2 <input type="checkbox"/> No
18 Performing arts, sports, and other live performances, presentations, and events . . . . .	18	20018	1 <input type="checkbox"/>	<sup>2</sup> 1 <input type="checkbox"/> Yes	<sup>2</sup> 2 <input type="checkbox"/> No	<sup>3</sup> 1 <input type="checkbox"/> Yes	<sup>2</sup> 2 <input type="checkbox"/> No
19 Premiums paid on purchase of primary insurance . . . . .	19	20019	1 <input type="checkbox"/>	<sup>2</sup> 1 <input type="checkbox"/> N/A	<sup>2</sup> 2 <input type="checkbox"/> N/A	<sup>3</sup> 1 <input type="checkbox"/> Yes	<sup>2</sup> 2 <input type="checkbox"/> No
20 Losses recovered on purchases of primary insurance . . . . .	20	20020	1 <input type="checkbox"/>	<sup>2</sup> 1 <input type="checkbox"/> N/A	<sup>2</sup> 2 <input type="checkbox"/> N/A	<sup>3</sup> 1 <input type="checkbox"/> Yes	<sup>2</sup> 2 <input type="checkbox"/> No
21 Sale of purchase of rights to natural resources, and lease bonus payments . . . . .	21	20021	1 <input type="checkbox"/>	<sup>2</sup> 1 <input type="checkbox"/> Yes	<sup>2</sup> 2 <input type="checkbox"/> No	<sup>3</sup> 1 <input type="checkbox"/> Yes	<sup>2</sup> 2 <input type="checkbox"/> No
22 Use or lease of rights to natural resources, excluding lease bonus payments . . . . .	22	20022	1 <input type="checkbox"/>	<sup>2</sup> 1 <input type="checkbox"/> Yes	<sup>2</sup> 2 <input type="checkbox"/> No	<sup>3</sup> 1 <input type="checkbox"/> Yes	<sup>2</sup> 2 <input type="checkbox"/> No
23 Waste treatment and depollution services . . . . .	23	20023	1 <input type="checkbox"/>	<sup>2</sup> 1 <input type="checkbox"/> Yes	<sup>2</sup> 2 <input type="checkbox"/> No	<sup>3</sup> 1 <input type="checkbox"/> Yes	<sup>2</sup> 2 <input type="checkbox"/> No
None of the above (Go to 10 on page 4.) . . . . .		20024	1 <input type="checkbox"/>				

\*Other private services (service number 16) — Enter the total amount of fees you paid for the purchases of all the following services combined: Language translation services, salvage services, security services, collection services, satellite photography and remote sensing/satellite imagery services, space transport, and transcription services. If you are subject to the survey's mandatory reporting requirement and you reported data under this service, identify from the services listed the one that accounts for the largest share of the data reported. ↗

- For each type of service marked Yes, reporting is **mandatory** on Schedule A, Section 1.
- For each type of service marked No, voluntary reporting is requested on Schedule A, Section 2.
- For each type of service marked Yes, reporting is **mandatory** on Schedule B, Section 1.
- For each type of service marked No, voluntary reporting is requested on Schedule B, Section 2.



**10 Did the U.S. Reporter have any transactions, either sales or purchases, of any of the services or intangible rights covered by this survey? (Did you place a mark next to any of the activities listed in step one of question 9?)**

20025  **1** Yes – Report mandatory transactions in Section 1 of the appropriate schedule or please report voluntary transactions in Section 2 of the appropriate schedule.

**2** No – Then return pages 1 through 4 according to the instruction on page 1.

**11 Did the U.S. Reporter have any purchases transactions of any financial services (Did you place a mark in the "Yes" box of service number 11 financial services?)**

20026  **1** Yes – The following type of financial service accounts for the largest share of the data reported:

- Credit-related fees
- Fees on securities transactions
- Fees for other financial services

**2** No

**12 Medical services: If data are reported on Schedule A for service numbers 12 and/or 13, please respond to the following question.**

**Do the receipts reported under medical services (services number 12 and 13) comprehensively cover charges by independent physicians who are not employees of the reporting medical institution?**

20027  **1** Yes.

**2** No, because these physicians do their own billing.

**3** No, because independent physicians do not practice at this institution.



**SCHEDULE A — U.S. Reporter's Sales of Selected Services to Unaffiliated Foreign Persons**

- For each type of transaction marked **Yes** in Step 2 of question 9, reporting is mandatory in Section 1 below.
- For each type of transaction marked **No** in Step 2 of question 9, voluntary reporting is requested in Section 2 below.
- For additional instructions, see the General Instructions A.I. and A.II.
- Report all currency figures in thousands of dollars. Example: If the amount is \$1,555,000.00 report as 1,555.
- Round amounts less than \$500.00 to 0.
- In the column headings of Table 1 and 2, enter the Type of Service Code (1 through 23) as found in Step 1 of question 9.
- Use additional copied sheets as necessary.

**Section 1: Mandatory Reporting (for sales of each type of service exceeding \$1 million)**

SALES TO	BEA USE ONLY		Service code	Service code	Service code	Service code
	(1)	(2)	(3)	(4)	(5)	(6)
A1000	1	2	3	4	5	6
1. Australia	002	1 601	2 3	4	5	6
2. Belgium	003	1 302	2 3	4	5	6
3. Brazil	004	1 202	2 3	4	5	6
4. Canada	005	1 100	2 3	4	5	6
5. China	006	1 650	2 3	4	5	6
6. France	007	1 307	2 3	4	5	6
7. Germany	008	1 308	2 3	4	5	6
8. Hong Kong	009	1 611	2 3	4	5	6
9. India	010	1 612	2 3	4	5	6
10. Israel	011	1 504	2 3	4	5	6
11. Italy	012	1 314	2 3	4	5	6
12. Japan	013	1 614	2 3	4	5	6
13. Mexico	014	1 213	2 3	4	5	6
14. Netherlands	015	1 319	2 3	4	5	6
15. Singapore	016	1 625	2 3	4	5	6
16. South Africa	017	1 436	2 3	4	5	6
17. South Korea	018	1 626	2 3	4	5	6
18. Spain	019	1 323	2 3	4	5	6
19. Sweden	020	1 324	2 3	4	5	6
20. Switzerland	021	1 325	2 3	4	5	6
21. Taiwan	022	1 628	2 3	4	5	6
22. United Kingdom	023	1 327	2 3	4	5	6
<b>Other — Specify</b>						
23. _____	024	1 2	3	4	5	6
24. _____	025	1 2	3	4	5	6
25. _____	026	1 2	3	4	5	6
26. _____	027	1 2	3	4	5	6
27. _____	028	1 2	3	4	5	6
28. _____	029	1 2	3	4	5	6
29. _____	030	1 2	3	4	5	6
30. _____	031	1 2	3	4	5	6
<b>31. All countries, total</b>	001	1 2	3	4	5	6

**Section 2: Voluntary Reporting (for total sales of each type of service less than or equal to \$1 million)**

SALES TO	BEA USE ONLY		Service code	Service code	Service code	Service code
	(1)	(2)	(3)	(4)	(5)	(6)
<b>32. All countries, total</b>	032	1 709	3	4	5	6



**SCHEDULE B — U.S. Reporter's Purchases of Selected Services  
From Unaffiliated Foreign Persons**

- For each type of transaction marked **Yes** in Step 3 of question 9, reporting is mandatory in Section 1 below.
- For each type of transaction marked **No** in Step 3 of question 9, voluntary reporting is requested in Section 2 below.
- For additional instructions, see the General Instructions A.I. and A.II.
- Report all currency figures in thousands of dollars. Example: If the amount is \$1,555,000.00 report as 1,555.
- Round amounts less than \$500.00 to 0.
- In the column headings of Table 1 and 2, enter the Type of Service Code (1 through 23) as found in Step 1 of question 9.
- Use additional copied sheets as necessary.

**Section 1: Mandatory Reporting (for purchases of each type of service exceeding \$1 million)**

PURCHASES FROM	BEA USE ONLY		Service code	Service code	Service code	Service code
	(1)	(2)	(3)	(4)	(5)	(6)
	1	2	3	4	5	6
B1000						
1. Australia	002	1 601	2 3	4	5	6
2. Belgium	003	1 302	2 3	4	5	6
3. Brazil	004	1 202	2 3	4	5	6
4. Canada	005	1 100	2 3	4	5	6
5. China	006	1 650	2 3	4	5	6
6. France	007	1 307	2 3	4	5	6
7. Germany	008	1 308	2 3	4	5	6
8. Hong Kong	009	1 611	2 3	4	5	6
9. India	010	1 612	2 3	4	5	6
10. Israel	011	1 504	2 3	4	5	6
11. Italy	012	1 314	2 3	4	5	6
12. Japan	013	1 614	2 3	4	5	6
13. Mexico	014	1 213	2 3	4	5	6
14. Netherlands	015	1 319	2 3	4	5	6
15. Singapore	016	1 625	2 3	4	5	6
16. South Africa	017	1 436	2 3	4	5	6
17. South Korea	018	1 626	2 3	4	5	6
18. Spain	019	1 323	2 3	4	5	6
19. Sweden	020	1 324	2 3	4	5	6
20. Switzerland	021	1 325	2 3	4	5	6
21. Taiwan	022	1 628	2 3	4	5	6
22. United Kingdom	023	1 327	2 3	4	5	6
<b>Other — Specify</b>						
23. _____	024	1 2	3	4	5	6
24. _____	025	1 2	3	4	5	6
25. _____	026	1 2	3	4	5	6
26. _____	027	1 2	3	4	5	6
27. _____	028	1 2	3	4	5	6
28. _____	029	1 2	3	4	5	6
29. _____	030	1 2	3	4	5	6
30. _____	031	1 2	3	4	5	6
<b>31. All countries, total</b>	001	1 2	3	4	5	6

**Section 2: Voluntary Reporting (for total purchases of each type of service less than or equal to \$1 million)**

PURCHASES FROM	BEA USE ONLY		Service code	Service code	Service code	Service code
	(1)	(2)	(3)	(4)	(5)	(6)
<b>32. All countries, total</b>	032	1 709	2 3	4	5	6



# GENERAL INSTRUCTIONS

Public reporting burden for this BE-22 report is estimated to average 11.5 hours per response. This burden includes time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate to Director, Bureau of Economic Analysis (BE-1), U.S. Department of Commerce, Washington, DC 20230; and to the Office of Management and Budget, Paperwork Reduction Project 0608-0060, Washington, DC 20503.

**Purpose** – Reports on this form are required in order to obtain reliable and up-to-date information on selected services transactions between U.S. persons and unaffiliated foreign persons. The information will be used to help support trade negotiations, formulate U.S. policy, and analyze the impact of that policy and the policies of foreign countries, on international trade in services. The data will also be used in compiling the U.S. balance of payments and national income and product accounts.

**Authority** – This survey is being conducted under the authority of the International Investment and Trade in Services Survey Act (P.L. 94-472, 90 Stat. 2059, 22 U.S.C. 3101-3108, as amended – hereinafter "the Act"), and the filing of reports is mandatory under Section 5(b)(2) of the Act (22 U.S.C. 3104). Regulations for the survey may be found in 15 CFR Part 801.

**Penalties** – Whoever fails to report may be subject to a civil penalty of not less than \$2,500, and not more than \$25,000, and to injunctive relief commanding such person to comply, or both. Whoever willfully fails to report shall be fined not more than \$10,000 and, if an individual, may be imprisoned for not more than one year, or both. Any officer, director, employee, or agent of any corporation who knowingly participated in such violations, upon conviction, may be punished by a like fine, imprisonment, or both (See 22 U.S.C. 3105). Notwithstanding the above, a U.S. person is not subject to any penalty for failure to report if a valid Office of Management and Budget (OMB) control number is not displayed on the form; such a number (0608-0060) is displayed on this form.

**Confidentiality** – The Act provides that your report to this Bureau is CONFIDENTIAL and may be used only for analytical or statistical purposes. Without your prior written permission, the information filed in your report CANNOT be presented in a manner that allows it to be individually identified. Your report CANNOT be used for purposes of taxation, investigation, or regulation. Copies retained in your files are immune from legal process.

## NOTES –

1. A single original copy of this report must be filed with the Bureau of Economic Analysis (BEA); please use the copy with the address label if such a labeled copy has been provided.
2. Currency amounts should be reported in U.S. dollars rounded to thousands (omitting 000). **EXAMPLE** – If the amount is \$1,000,000, report as \$1,000. Amounts less than \$500.00 round to "0" and should, therefore, be omitted.

## I. WHO IS TO REPORT AND GENERAL COVERAGE

### A. Who is to report and transactions to be reported

1. **Mandatory reporting** – A BE-22 report is **required** from each U.S. person that had transactions (either sales or purchases) in excess of \$1,000,000 with unaffiliated foreign persons in any of the services listed in VII. of these General Instructions during the U.S. person's fiscal year.

The determination of whether a U.S. person is subject to this mandatory reporting requirement may be judgmental, that is, based on the judgement of knowledgeable persons in a company who can identify reportable transactions on a recall basis, with a reasonable degree of certainty without conducting a detailed manual records search. The "Optional Checklist" (Supplement A) described in IV. of the General Instructions may be used to facilitate data collection from the various parts of the reporter's organization.

Reporters who must file pursuant to this mandatory reporting requirement must complete Parts 1, 2, and 3 of the form and all applicable schedules. The total amounts of transactions applicable to a particular schedule are to be entered in the appropriate column(s) on line 31 of the schedule. In addition, these amounts must be distributed above line 31 to the country(ies) involved in the transaction(s).

2. **Voluntary reporting** – If, during the U.S. person's fiscal year, the U.S. person's total transactions (either sales or purchases) in any of the types of services listed in VII. of these General Instructions are \$1,000,000 or less, the U.S. person is requested to provide an estimate of the total for each type of service. Provision of this information is voluntary. The estimates may be judgmental, that is, based on recall, without conducting a detailed manual records search.

The total amounts of transactions applicable to a particular schedule are to be entered in the appropriate column(s) on line 32 of the schedule. (If information on the countries of the transactions are available, the transactions may instead be reported by country in the mandatory section; however, disaggregation by country is not required.) Reporters who elect to file pursuant to the voluntary reporting option must complete Parts 1, 2, and 3 of the form.

3. **Exemption** – A U.S. person receiving this form from BEA that is not required to report data in the mandatory (Section 1) section of any schedule, and that elects not to report data in the voluntary section of any schedule, must complete Parts 1, 2, and 3.

### B. BE-22 definition of sales (receipts) or purchases (payments)

It should be noted that an item other than sales or purchases may be used as the measure of a given service for purposes of determining whether the threshold for mandatory reporting of the service is exceeded. Note that in several cases – advertising; performing arts, etc.; miscellaneous disbursements (services numbered 3-9 in VII. of these General Instructions); and rights to natural resources (services numbered 21 and 22) – measures other than, or in addition to, sales or purchases of services should be used. See VII. of these General Instructions for an explanation of what measure should be applied in determining whether you are subject to the BE-22 survey's mandatory reporting requirements for a given service.

### C. Clarification of coverage and special situations

1. **Reporting period** – Form BE-22 is an annual report; one report is to be filed for each fiscal year of the U.S. Reporter. The Reporter's fiscal year is its financial reporting year that has an ending date in a given calendar year. (See **Definitions, II.M.**)
2. **Date of recording transactions** – Transactions are to be reported on an accrual basis.
3. **Withholding taxes** – Data should be reported gross of U.S. and foreign withholding taxes.
4. **Services covered regardless of where performed** – Services sold to, or purchased from, unaffiliated foreign persons should be reported regardless of whether the services were performed in the United States or abroad.
5. **Services bundled with goods or with other services and not separately valued** – When a sale or purchase consists of both goods and services, or of several services, that cannot be unbundled (i.e., the goods and/or services are not separately valued), it should be classified based on whichever accounts for a majority of the value or on the basis of the Reporter's customary practice.
6. **Accounting for purchases** – Purchases of services should be included without regard to whether they are charged as an expense on the income statement, capitalized, or charged to inventories.
7. **Partnerships** – A partnership is a business enterprise and must report if it has covered transactions. The report must be for, and the data and information must cover, the partnership as a whole, not just the activities of an individual partner.
8. **Contractor reporting responsibility** – On all schedules, U.S. prime contractors are to report the full value of a transaction (contract) with an unaffiliated foreign person. U.S. subcontractors, including independent consultants, to a U.S. prime contractor are not to report their share of a contract with an unaffiliated foreign person.
9. **Projects with U.S. Government nonmilitary agencies** – Report information on services that are provided abroad for U.S. Government nonmilitary agencies, such as the Agency for International Development and the United States Information Agency, or that are part of an aid or technical cooperation program of the Government with foreign persons. However, do not report services provided to the U.S. Department of Defense or any of its agencies, such as the Army Corps of Engineers.
10. **International organizations** – Report transactions with international organizations, which, according to balance of payments conventions, are considered unaffiliated foreign persons even if they are headquartered in the United States. Enter the abbreviated designation, "Int'l Org.", as the name of the country the project is with.
11. **Internet transactions** – Reporting requirements are determined by who the transactions are with and not by where the services are performed or the location of the buyer and seller at the time of the transaction. Thus, reportable transactions may include those conducted over the Internet or other networks.



## GENERAL INSTRUCTIONS – Continued

### D. Consolidation

If the U.S. Reporter is a corporation, Form BE-22 is required to cover reportable transactions for the fully consolidated U.S. domestic enterprise consisting of (i) the U.S. corporation whose voting securities are not owned more than 50 percent by another U.S. corporation, and, proceeding down each ownership chain from that U.S. corporation, (ii) any U.S. corporation (including a Foreign Sales Corporation located in the United States) whose voting securities are more than 50-percent owned by the U.S. corporation above it.

The fully consolidated U.S. domestic enterprise excludes foreign branches and other foreign affiliates.

Conditions may exist that would lead a U.S. corporation to exclude certain majority-owned (more than 50-percent owned) domestic subsidiaries from financial statements used in reports to shareholders. If such a subsidiary has covered transactions, it must file a report under its own name, and the subsidiary will be considered the U.S. Reporter for purposes of completing that form. The U.S. owner, however, is responsible for ensuring that the required Forms BE-22, both for itself and for the subsidiary, are filed with BEA on a timely basis. Such a subsidiary's filing deadline is the same as that of its U.S. owner.

## II. DEFINITIONS

**A. Services** mean economic activities whose outputs are other than tangible goods. This term includes, but is not limited to, banking, other financial services, insurance, transportation, communications and data processing, retail and wholesale trade, advertising, accounting, construction, design, engineering, management consulting, real estate, professional services, entertainment, education, and health care.

**B. U.S. Reporter** is the U.S. person filing a report in this survey (see I.D. for further clarification).

**C. United States**, when used in a geographic sense, means the several States, the District of Columbia, the Commonwealth of Puerto Rico, and all territories and possessions of the United States.

**D. Foreign**, when used in a geographic sense, means that which is situated outside the United States or which belongs to or is characteristic of a country other than the United States.

**E. Person** means any individual, branch, partnership, association group, association, estate, trust, corporation, or other organization (whether or not organized under the laws of any State), and any government (including a foreign government, the United States Government, a State or local government, and any agency, corporation, financial institution, or other entity or instrumentality thereof, including a government sponsored agency).

**1. United States person** means any person resident in the United States or subject to the jurisdiction of the United States.

**2. Foreign person** means any person resident outside the United States or subject to the jurisdiction of a country other than the United States.

**F. Business enterprise** means any organization, association, branch or venture which exists for profitmaking purposes or to otherwise secure economic advantage, and any ownership of any real estate. (A business enterprise is a "person" within the definition in paragraph E above.)

**G. Direct investment** means the ownership or control, directly or indirectly, by one person of 10 per centum or more of the voting securities of an incorporated business enterprise or an equivalent interest in an unincorporated business enterprise.

**H. Parent** means a person of one country who, directly or indirectly, owns or controls 10 per centum or more of the voting stock of an incorporated business enterprise, or an equivalent ownership interest in an unincorporated business enterprise, which is located outside that country.

**1. U.S. parent** means the U.S. person that has direct investment in a foreign business enterprise.

**2. Foreign parent** means the foreign person, or the first person outside the United States in a foreign chain of ownership, which has direct investment in a U.S. business enterprise, including a branch.

**I. Affiliated foreign group** means (i) the foreign parent, (ii) any foreign person, proceeding up the foreign parent's ownership chain, which owns more than 50 per centum of the person below it up to and including that person which is not owned more than 50 per centum by another foreign person, and (iii) any foreign person, proceeding down the ownership chain(s) of each of these members, which is owned more than 50 per centum by the person above it.

**J. Affiliate** means a business enterprise located in one country which is directly or indirectly owned or controlled by a person of another country to the extent of 10 per centum or more of its voting stock for an incorporated business or an equivalent interest for an unincorporated business, including a branch.

**1. Foreign affiliate** means an affiliate located outside the United States in which a U.S. person has direct investment.

**2. U.S. affiliate** means an affiliate located in the United States in which a foreign person has direct investment.

**K. Affiliated foreign person** means, with respect to a given U.S. person, (i) a foreign affiliate of which the U.S. person is a U.S. parent, or (ii) the foreign parent or other member of the affiliated foreign group of which the U.S. person is a U.S. affiliate.

**L. Unaffiliated foreign person** means, with respect to a given U.S. person, any foreign person that is not an affiliated foreign person as defined in paragraph K above.

**M. Fiscal year** is the U.S. Reporter's financial reporting year that has an ending date in calendar year 2004.

**N. Country** means, for purposes of this survey, the country of location of the foreign person with whom a transaction has occurred.

## III. GUIDELINES FOR CATEGORIZING ACTIVITIES

### A. Distinguishing between unaffiliated and affiliated transactions

This survey covers U.S. persons' direct services transactions, both sales and purchases, with unaffiliated foreign persons – that is, with foreign persons that are neither the foreign affiliate nor the foreign parent of the U.S. person filing the report. For definitions of terms, see II. above.

Examples of reportable transactions are:

1. A transaction between a U.S. person and an unaffiliated foreign person.
2. A transaction between one U.S. person and another U.S. person's foreign affiliate. Such a transaction is reportable by the first U.S. person.
3. A transaction between a U.S. parent of a foreign affiliate, or a U.S. affiliate of a foreign parent, and an unaffiliated foreign person (whether or not the latter is affiliated with other U.S. persons). Such a transaction is reportable by the U.S. parent or the U.S. affiliate.

Examples of transactions that are **not** reportable are:

1. A transaction between a U.S. person (U.S. parent) and its foreign affiliate.
2. A transaction between a U.S. person (U.S. affiliate) and its foreign parent or other member of the affiliated foreign group.
3. A transaction between a U.S. person's foreign affiliate and another foreign person. Such a transaction is not reportable because it is a foreign-to-foreign transaction.
4. A transaction between a U.S. person and another U.S. person (whether or not either or both parties are affiliated with foreign persons). Such a transaction is not reportable because it is a U.S.-to-U.S. transaction.

Transactions between U.S. parents and their foreign affiliates, and between foreign affiliates and other foreign persons, are already reportable in the surveys of U.S. direct investment abroad (BE-10, BE-11, and BE-577). Transactions between U.S. affiliates and their foreign parents or other members of their affiliated foreign groups are already reportable in the surveys of foreign direct investment in the United States (BE-12, BE-13, BE-15, BE-605, and BE-605 Bank).



## GENERAL INSTRUCTIONS – Continued

### B. Foreign activities of a U.S. person that do not constitute a foreign affiliate

Transactions with unaffiliated foreign persons by or through a foreign "activity" of a U.S. person that is not a foreign affiliate must be reported on the BE-22, if the activities are in covered types of services. Any of the services covered by this survey may also be provided at a foreign location through a foreign affiliate. Such transactions are not reportable in this survey. Before completing this survey, therefore, reporters must determine whether or not the services are conducted through a foreign activity that is not a foreign affiliate or through a foreign affiliate.

Although the definitions of direct investment and foreign affiliate in II. above, together with the discussion in III.A. above, should be sufficient to determine whether a given foreign activity is or is not a foreign affiliate, in a number of cases the determination may be difficult. Several factors to be considered are given below. If you still cannot determine if the activity or operation is an affiliate, call (202) 606-5588 for additional guidance. Also, if you think that an activity or operation currently reported as an affiliate is incorrect, please call and a determination of future reporting status will be made.

If a U.S. person's foreign activity or operation is incorporated abroad, it is a foreign affiliate.

If a U.S. person's foreign activity or operation is **not** incorporated abroad, its status is based on the weight of the evidence when the factors listed below are considered.

An unincorporated foreign activity or operation generally **would** be considered a foreign affiliate if it: (i) pays foreign income taxes; (ii) has a substantial physical presence abroad (e.g., plant and equipment or employees); (iii) maintains separate financial records that would permit the preparation of financial statements, including an income statement and balance sheet (not just a record of disbursements and receipts); (iv) takes title to the goods it sells and receives revenues therefrom; or (v) receives funds for its own account from customers for services it performs.

An unincorporated foreign activity or operation generally **would not** be considered a foreign affiliate if it: (i) conducts business abroad only for the U.S. person's account and not for its own account (e.g., sales promotion or public relations type of activities); (ii) has no separate financial statements; (iii) receives funds to cover its expenses only from the U.S. person; (iv) pays no foreign income taxes; and (v) has limited physical assets, or employees, permanently located abroad.

**Note** that a diverse group of activities that do not constitute foreign affiliates are covered by services numbered 3-9 in VII. of these General Instructions. For activities that are covered by these services, the respondent is asked to provide a breakdown by country of the total amount of the funding for these activities.

### C. U.S. activities of a foreign person that do not constitute a U.S. affiliate

Criteria for determining which U.S. activities do or do not constitute a U.S. affiliate of a foreign person are parallel to those in III.B. above.

### D. Determining who must report a transaction when an intermediary is involved

At times, transactions between a U.S. person and an unaffiliated foreign person may be arranged by, billed through, or otherwise facilitated by, an intermediary. The intermediary may be U.S. or foreign, and may be affiliated or unaffiliated with the U.S., or the foreign, person.

A determination of who a sale is to, or who a purchase is from, shall be made on the basis of who the U.S. person considers itself to have a claim on for payment, in the case of a sale, or who it has a liability to, in the case of a purchase. For a sale, if the U.S. person looks to the unaffiliated foreign person for payment, then the transaction is between the U.S. person and unaffiliated foreign person, and is to be reported by the U.S. person. If the U.S. person looks to the intermediary for payment, and the intermediary, in turn, looks to the foreign person for payment, then whether either transaction is reportable, and who it is to be reported by, depends on the location of the intermediary and the relationship between the U.S. person and the intermediary.

If the intermediary is a foreign person, then the U.S. person would report the transaction, provided the intermediary is not affiliated with the U.S. person. (If they are affiliated, then the transaction is not reportable in this survey.)

If the intermediary is a U.S. person, then the initial transaction between the original U.S. person and the intermediary is domestic-to-domestic and not reportable in the survey. However, the intermediary must report the transaction with the foreign person, provided the intermediary is not affiliated with the foreign person. (If they are affiliated, then the transaction is not reportable in this survey.)

The reportability of a purchase would be determined in a similar manner.

### IV. OPTIONAL CHECKLIST OF SERVICES TRANSACTIONS BETWEEN COMPANY UNIT AND UNAFFILIATED FOREIGN PERSONS

For the convenience of reporters, an "Optional Checklist" is provided in Supplement A, to help diversified companies determine, without a records search, whether or not the "parts" or units of the company had reportable services transactions, either sales or purchases, with unaffiliated foreign persons in the fiscal year.

If, for any sales or purchases category, a "part" or unit of the company answers "Yes" to the question of whether it had a transaction in a particular type of service, that "part" or unit must be included in the company's report under the survey's mandatory reporting requirement if the U.S. Reporter's total transactions in that service exceed \$1,000,000. (See I.A.1. of these General Instructions.) Even if the U.S. Reporter's total transactions are \$1,000,000 or less, a "Yes" answer to the question of whether the "part" or unit had any transactions can be used to help determine if the transactions of that "part" or unit should be included in the company's report on a voluntary basis. (See I.A.2. of these General Instructions.)

Companies should reproduce the checklist for distribution to their "parts" or units if they decide to use it in preparing their reports. The checklist is optional; it is for the internal use of reporters only and should not be returned to BEA with Form BE-22.

Some companies may find it advantageous to adapt the "Optional Checklist" to accommodate their own particular corporate structure or data collection procedures.

### V. RELATED FORMS

Persons receiving this form should be aware of eight other forms on services that are required to be filed on a mandatory basis with BEA (see 15 CFR, Part 801, Section 9).

**BE-9** Quarterly Survey of Foreign Airline Operators' Revenues and Expenses in the United States

**BE-25** Quarterly Survey of Transactions Between U.S. and Unaffiliated Foreign Persons in Selected Services and in Intangible Assets

**BE-29** Foreign Ocean Carriers' Expenses in the United States

**BE-30** Ocean Freight Revenues and Foreign Expenses of United States Carriers

**BE-37** U.S. Airline Operators' Foreign Revenues and Expenses

**BE-45** Quarterly Survey of Insurance Transactions by U.S. Insurance Companies with Foreign Persons

**BE-80** Benchmark Survey of Financial Services Transactions Between U.S. Financial Services Providers and Unaffiliated Foreign Persons

**BE-85** Quarterly Survey of Financial Services Transactions Between U.S. Financial Services Providers and Unaffiliated Foreign Persons

The types of transactions reportable on those forms are not covered by this survey. To receive a copy of form BE-29, BE-30, or BE-37, telephone BEA at (202) 606-9559. To receive a copy of form BE-25, BE-45, BE-80, or BE-85, telephone BEA at (202) 606-5588.



## GENERAL INSTRUCTIONS – Continued

### VI. REPORTING PROCEDURES

- A. Due date** – A completed BE-22 is due on March 31, 2005.
- B. Fiscal year reporting period** – This report covers fiscal year 2004, which is your most recent fiscal year that ended on or before December 31, 2004. If your most recent fiscal year ended after December 31, 2004, please call for assistance.
- C. Extension** – Requests for an extension of the reporting deadline will not normally be granted. However, in a hardship case, a written request for an extension will be considered if it is received at least 15 days before the due date. BEA will provide a written response to such a request. Requests for extensions may also be sent via E-mail to BE22extension@bea.gov.
- D. For assistance or additional copies of the forms** – Phone (202) 606-5588 between 8:30 a.m. and 5:00 p.m., eastern time.
- E. Original and file copies** – A single original copy of each form or schedule must be filed with BEA. Please use the copy with the address label if such a labeled copy has been provided. In addition, each U.S. Reporter must retain a copy of its report to facilitate resolution of problems; these copies should be retained by the U.S. Reporter for a period of not less than 3 years beyond the form's original due date.
- F. Where to send the report** – Send reports filed by mail through the U.S. Postal Service to:
- U.S. Department of Commerce  
Bureau of Economic Analysis  
BE-50(SSB)  
Washington, DC 20230
- Address report filed by direct private express delivery to:
- U.S. Department of Commerce  
Bureau of Economic Analysis, BE-50(SSB)  
Shipping & Receiving Section M-100  
1441 L Street, N.W.  
Washington, DC 20005
- FAX the report to: (202) 606-5318.
- G. Estimates** – If actual figures are not available, report estimates and label them as such. When data items cannot be fully subdivided as required, report totals and an estimated breakdown of the totals.

### VII. SERVICES COVERED

*Report sales of services numbered 1–10, 12–18, and 21–23 on Schedule A, and report purchases of services numbered 1–11 and 15–23 on Schedule B.*

- 1. Advertising services** – Preparation of advertising and placement of such advertising in media, including charges for media space and time. Include advertising banners on web pages. An advertising agency selling such services should report **gross billings** to unaffiliated foreigners. Sales by media companies (e.g. broadcasters, publishers, etc.) that are arranged through U.S. advertising agencies are presumed to be reflected in billings of the advertising agencies; thus, in order to avoid duplication, they should not be reported by the media suppliers. U.S. advertising agencies should report only direct transactions with unaffiliated foreign clients. Exclude transactions that are with the U.S. affiliates of foreign clients, rather than directly with foreign clients; such transactions are considered domestic (U.S.-to-U.S.) and are, therefore, outside the scope of this survey. Exclude charges for services other than advertising, such as public relations services or market research not directly associated with an advertising campaign. U.S. media companies should report only direct sales of advertising services to unaffiliated foreign persons; they should not report advertising arranged by U.S. advertising agencies, including U.S. affiliates of foreign advertising agencies.
- Under **purchases** of advertising services, U.S. Reporters that are advertising agencies should report only funds paid to foreign advertising agencies and media companies on behalf of its clients. U.S. Reporters other than advertising agencies should report only purchases made directly from foreign advertising agencies and media companies. Do not report purchases made through a U.S. advertising agency. Also, do not report purchases made through the U.S. office of a foreign advertising agency if your payment is made to the U.S. office.
- Include the value of reciprocal exchanges; i.e., transactions involving barter. On Schedule A, value your sales to the foreign participant in the reciprocal exchange at market rates, not at the actual cost of performing the services. On Schedule B, value your purchases from the foreign participant at the same amount as the sales reported on Schedule A.

- 2. Auxiliary insurance services** – Agent's commissions, insurance brokering and agency services, insurance consulting services, evaluation and adjustment services, actuarial services, salvage administration services, and regulatory and monitoring services on indemnities and recovery services.

**Note for services numbered 3-9:** Where a set of related expenditures was made in several countries, but your recordkeeping does not permit a precise allocation of expenses among individual countries, estimates are acceptable. If no basis for such estimates exists, then it is permissible to record the expenditures against the country in which the activities were centered or headquartered. For example, a news correspondent may conduct news-gathering activities in several countries. Although it would be preferable to report news-gathering expenses in each of the several countries, all of the expenses may, if necessary, be recorded against the country where the foreign news bureau is headquartered, or where the correspondent had the largest outlays.

- 3. Disbursements to fund news-gathering costs of broadcasters** – U.S. broadcasters' outlays to fund operations of their foreign news bureaus and for support of correspondents in foreign countries, and foreign broadcasters' outlays to fund operations of their U.S. news bureaus and for support of correspondents in the United States. (See note above.)
- 4. Disbursements to fund news-gathering costs of print media** – Outlays by U.S. newspapers, news syndicates, and news magazines for the operation of their foreign news bureaus, and outlays by foreign newspapers, news syndicates, and news magazines for the operation of their U.S. news bureaus. (See note above service number 3.)
- 5. Disbursements to fund production costs of motion pictures** – Foreign production costs of U.S. motion picture companies, and U.S. production costs of foreign motion picture companies. (See note above service number 3.)
- 6. Disbursements to fund production costs of broadcast program material other than news** – Foreign production costs of U.S. companies engaged in the production of broadcast material other than news, and U.S. production costs of foreign companies engaged in the production of broadcast material other than news. Includes disbursements for broadcasting professional or amateur sporting events, and the disbursements for production of the events themselves. (See note above service number 3.)
- 7. Disbursements to maintain government tourism and business promotion offices** – Funding to maintain State tourism and business promotion offices located abroad, and funding to maintain foreign government sponsored tourism and business promotion offices located in the United States. (See note above service number 3.)
- 8. Disbursements for sales promotion and representation** – Funding to maintain sales promotion and representative offices. Sales promotion offices typically have few assets other than office furniture; to the extent that their employees are compensated by commissions, the commissions arise only from sales or business that the employees generate for their U.S. or foreign parents; they do not produce revenue, other than funds from their parents to cover their expenses; and they are engaged only in sales promotion, representational, public-relations-type activities, or the gathering of market information, on behalf of their parents. If an office produces revenues for its own account from goods or services it provides to unaffiliated persons, then it is considered a U.S. or foreign affiliate and is subject to the reporting requirements for BEA's direct investment surveys. (See note above service number 3.)
- 9. Disbursements to participate in foreign trade shows (outlays only)** – Foreign expenses incurred by U.S. persons participating in foreign trade shows. (See note above service number 3.)
- 10. Educational and training services** – Educational or training services provided on a contract or fee basis. Includes tuition and fees charged when the institutions provide the educational service through distance learning technologies using the Internet. Excludes tuition and fees charged to U.S. and foreign persons by educational institutions when the student travels to the institution for study. Also excludes training done by a manufacturer in connection with a sale of a good.



## GENERAL INSTRUCTIONS – Continued

- 11. Financial services (purchase only)** – Include payment of credit-related fees, fees on securities transactions, and fees for other financial services.

Credit related fees include fees for establishing, maintaining, or arranging credits, letters of credit, bankers acceptances, mortgages, factoring services, loan guarantees, etc., that are commonly provided by foreign banking establishments. Include fees paid directly and fees that are withheld or deducted from your proceeds by the foreign person. For example, for factoring services, the fee may be calculated as the difference between the proceeds you received from the sale of your receivables and the face amount of the receivables sold; for arranging credits, letters of credit, etc., it may be calculated as the difference between the proceeds you received from the loan, letter of credit, etc. (after the deduction of the fee) and your liability to the foreign lending establishment. Report credit-related fees in the accounting period in which they are incurred, whether or not expensed in that accounting period. Exclude interest on your obligations, because interest is a payment for the use of the loan proceeds and is not a fee for the establishment, maintenance, or arrangement of credit.

Fees on securities transactions include commissions and other fees for securities transactions (including transactions in derivatives) or future trading, such as brokerage, underwriting, private placements, etc. Fees for such services would commonly be paid to foreign investment banks and securities brokers or dealers. Include fees that can be calculated from transactions records or other documentation issued by the investment bank or security broker or dealer. Omit, rather than attempt to estimate, these fees if they cannot be calculated from such documentation. (For example, a dealer's markup on bond purchases and sales cannot be directly estimated from transactions records issued by a securities dealer.)

Fees for other financial services include fees for asset/liability management, debt renegotiation, and other financial services. Exclude leasing; operational leasing services are covered by the BE-25 survey, and real estate management services; management consulting, and public relations services are covered by the BE-25.

### Note for services numbered 12 and 13:

In determining whether reporting is mandatory for these services, the \$1,000,000 exemption criterion (see I.A.1 of the General Instructions) should be applied to the two items combined, rather than to each item individually; if combined transactions exceed \$1,000,000, then reporting is required for both categories. In determining which patients are "foreign," please consult the definition of "foreign person" given in section II.E.2 of the General Instructions. Report receipts net of discounts or write-offs. Include or exclude the value of services provided by individual physicians who are not employees of the reporting medical institution, depending on your accounting practices and billing arrangements, but indicate the basis for reporting in the check boxes provided in item 5. Report receipts irrespective of where the service was performed; although services are normally performed at facilities in the United States, services provided as a result of temporary movement by practitioners to the location of patients abroad are also covered. Certain health-related services are reportable under other services, and should not be reported as medical services. For example, medical training should be reported under service number 10 (educational and training services), rather than under medical services.

- 12. Medical services, inpatient** – (Report sales/receipts on Schedule A; purchases/payments are not reportable): Receipts from foreign patients (or their insurers) receiving care on an inpatient basis at a U.S. medical institution. Includes charges for room and board; fees for professional or technical services, such as fees for the services of physicians, nurses, and therapists; consultation fees; fees for diagnostic tests or images; laboratory fees; charges for drugs, medical equipment, and supplies; and other charges to inpatients.

- 13. Medical services, other than inpatient** – (Report sales/receipts on Schedule A; purchases/payments are not reportable): Receipts from foreign patients (or their insurers) and medical institutions for outpatient care and for other medical services provided on an other than inpatient basis. Outpatient services include professional and technical services, such as fees for the services of physicians, nurses, and therapists; consultation fees; fees for diagnostic tests and images; laboratory fees; charges for drugs, medical equipment, and supplies; and other charges to outpatients. In addition to outpatient services, report under this service number all other medical services that are not inpatient services, including remote diagnostic services and remote monitoring of surgical procedures provided from the United States to patients, practitioners, and medical institutions located in foreign countries (telemedicine) and services of medical laboratories that do not deal directly with patients.

- 14. Merchandising services** – (Report sales/receipts on Schedule A; purchases/payments are not reportable): For this service, only the value of merchandising services for all foreign countries combined (i.e., the global total for all foreign merchandising services) must be reported; data by individual foreign country may be reported voluntarily.

The value of merchandising services is equal to the **difference** between your cost for, and the resale price of, goods (such as crude oil, grain, and other commodities) that are both purchased and resold abroad; that is, the goods are neither imported to, nor exported from, the United States, and they do not undergo significant processing during the time between when they are purchased and resold. Without regard to whether you initially purchased the goods from an affiliated or unaffiliated foreign person, report data only for those transactions where you resold goods to an unaffiliated foreign person (i.e., a person who is neither your foreign affiliate nor a member of your foreign parent group). The data that are voluntarily reported by individual foreign country should be reported according to the individual foreign countries to which the goods were resold (and not the foreign countries from which the goods were purchased).

- 15. Mining services** – Includes drilling wells for oil or gas field operations; exploration, including prospecting and taking ore samples; grading and building foundations at well locations; well surveying; and making geological observations. Includes services purchased in connection with proposed projects (e.g., feasibility studies) as well as projects that are actually being carried out.
- 16. Other private services** – Report transactions in the following types of services: Language translation services, salvage services, security services, collection services, satellite photography and remote sensing/satellite imagery services, space transport (includes satellite launches, transport of goods and people for scientific experiments, and space passenger transport), and transcription services. This category excludes transactions in services not on this list. When reporting data under this service number, also identify the specific type of service from the list above accounting for the largest share of the reported total.
- 17. Other trade-related services** – Auction services (including online), transactions fees for business to business (B2B) exchanges conducted over the Internet, and commissions or "finders fees" to unaffiliated (independent) sales agents.
- 18. Performing arts, sports, and other live performances, presentations, and events** – Fees received (net of allowances for foreign expenses) or paid (net of allowances for U.S. expenses) for performing arts, sports, etc. To be reported by (a) U.S. management companies, booking agents, promoters, and presenters who received funds from or paid funds to foreign persons, for performances and events, and (b) U.S. performers who received funds directly from a foreign person rather than through a U.S. management company or similar entity. (As used here, "performers" means entertainers, sports teams, orchestras, dance companies, lecturers, athletes who do not play for sports teams, and similar persons or performing groups.)



## GENERAL INSTRUCTIONS – Continued

### VII. SERVICES COVERED – Continued

**Note for services numbered 19 and 20:** When you report either service number 19 or 20, also report the other service. If there are transactions in one of these services but not in the other, label a column in Schedule B with the number for the other service and enter "NA" in line 1 or 32.

- 19. Primary insurance premiums (purchases only)** – Premiums (net of cancellations) paid to unaffiliated foreign insurance carriers. A U.S. Reporter should not report direct transactions with a foreign insurance company that is its foreign affiliate; such transactions are to be reported on direct investment survey BE-577. A U.S. Reporter should, however, report direct transactions with a foreign insurance company that is an affiliate of another U.S. company, as the U.S. Reporter and the foreign insurance company are unaffiliated. (See note above.)
- 20. Losses recovered on primary insurance (purchases only)** – Losses recovered on insurance purchased from unaffiliated foreign insurance carriers. (See note above service number 19.)

### Note for services numbered 21 and 22:

In determining whether reporting is mandatory for these services, the \$1,000,000 exemption criterion (see I.A.1 of the General Instructions) should be applied to the two items combined, rather than to each item individually; if combined transactions exceed \$1,000,000, then reporting is required for both categories.

- 21. Sale or purchase of rights to natural resources, and lease bonus payments** – Receipts from the sale of, or payments for the acquisition of, rights to natural resources located in the United States and abroad, and lease bonus payments. Excludes sales or purchases of rights to surface land.
- 22. Use or lease of rights to natural resources, excluding lease bonus payments** – Receipts or payments for the use of rights to natural resources located in the United States and abroad, including oil or mining production royalties. Excludes lease bonus payments (reportable under service number 21) and sales or purchases of rights to surface land.
- 23. Waste treatment and depollution services** – Treatment of radioactive and other waste, stripping of contaminated soil, cleaning up of pollution including spills, restoration of mining sites, and de-contamination and sanitation services. Includes all other services that relate to the cleaning or restoring of the environment.

This historical survey form is for informational purposes only and is for information purposes only. Current survey forms are available at [www.bea.gov/help/information-for-survey-respondents](http://www.bea.gov/help/information-for-survey-respondents).



## SUMMARY OF INDUSTRY CLASSIFICATIONS

### AGRICULTURE, FORESTRY, FISHING, AND HUNTING

- 1110 Crop production
- 1120 Animal production
- 1130 Forestry and logging
- 1140 Fishing, hunting, and trapping
- 1150 Support activities for agriculture and forestry

### MINING

- 2111 Oil and gas extraction
- 2121 Coal
- 2123 Nonmetallic minerals
- 2124 Iron ores
- 2125 Gold and silver ores
- 2126 Copper, nickel, lead, and zinc ores
- 2127 Other metal ores
- 2132 Support activities for oil and gas operations
- 2133 Support activities for mining, except for oil and gas operations

### UTILITIES

- 2211 Electric power generation, transmission, and distribution
- 2212 Natural gas distribution
- 2213 Water, sewage, and other systems

### CONSTRUCTION

- 2360 Construction of buildings
- 2370 Heavy and civil engineering construction
- 2380 Specialty trade contractors

### MANUFACTURING

- 3111 Animal foods
- 3112 Grain and oilseed milling
- 3113 Sugar and confectionery products
- 3114 Fruit and vegetable preserving and specialty foods
- 3115 Dairy products
- 3116 Meat products
- 3117 Seafood product preparation and packaging
- 3118 Bakeries and tortillas
- 3119 Other food products
- 3121 Beverages
- 3122 Tobacco
- 3130 Textile mills
- 3140 Textile product mills
- 3150 Apparel
- 3160 Leather and allied products
- 3210 Wood products
- 3221 Pulp, paper, and paperboard mills
- 3222 Converted paper products
- 3231 Printing and related support activities
- 3242 Integrated petroleum refining and extraction
- 3243 Petroleum refining without extraction
- 3244 Asphalt and other petroleum and coal products
- 3251 Basic chemicals
- 3252 Resins, synthetic rubbers, and artificial and synthetic fibers and filaments
- 3253 Pesticides, fertilizers, and other agricultural chemicals
- 3254 Pharmaceuticals and medicines

- 3255 Paints, coatings, and adhesives
- 3256 Soap, cleaning compounds, and toilet preparations
- 3259 Other chemical products and preparations
- 3261 Plastics products
- 3262 Rubber products
- 3271 Clay products and refractories
- 3272 Glass and glass products
- 3273 Cement and concrete products
- 3274 Lime and gypsum products
- 3279 Other nonmetallic mineral products
- 3311 Iron and steel mills and ferroalloys
- 3312 Steel products from purchased steel
- 3313 Alumina and aluminum production and processing
- 3314 Nonferrous metal (except aluminum) production and processing
- 3315 Foundries
- 3321 Forging and stamping
- 3322 Cutlery and handtools
- 3323 Architectural and structural metals
- 3324 Boilers, tanks, and shipping containers
- 3325 Hardware
- 3326 Spring and wire products
- 3327 Machine shops; turned products; and screws, nuts, and bolts
- 3328 Coating, engraving, heat treating, and allied activities
- 3329 Other fabricated metal products
- 3331 Agriculture, construction, and mining machinery
- 3332 Industrial machinery
- 3333 Commercial and service industry machinery
- 3334 Ventilation, heating, air-conditioning, and commercial refrigeration equipment
- 3335 Metalworking machinery
- 3336 Engines, turbines, and power transmission equipment
- 3339 Other general purpose machinery
- 3341 Computer and peripheral equipment
- 3342 Communications equipment
- 3343 Audio and video equipment
- 3344 Semiconductors and other electronic components
- 3345 Navigational, measuring, electromedical, and control instruments
- 3346 Manufacturing and reproducing magnetic and optical media
- 3351 Electric lighting equipment
- 3352 Household appliances
- 3353 Electrical equipment
- 3359 Other electrical equipment and components
- 3361 Motor vehicles
- 3362 Motor vehicle bodies and trailers
- 3363 Motor vehicle parts
- 3364 Aerospace products and parts
- 3365 Railroad rolling stock
- 3366 Ship and boat building
- 3369 Other transportation equipment
- 3370 Furniture and related products
- 3391 Medical equipment and supplies
- 3399 Other miscellaneous manufacturing

### WHOLESALE TRADE

#### MERCHANT WHOLESALERS, DURABLE GOODS

- 4231 Motor vehicles and motor vehicle parts and supplies merchant wholesalers
- 4232 Furniture and home furnishing merchant wholesalers
- 4233 Lumber and other construction materials merchant wholesalers
- 4234 Professional and commercial equipment and supplies merchant wholesalers
- 4235 Metal and mineral (except petroleum) merchant wholesalers
- 4236 Electrical and electronic goods merchant wholesalers
- 4237 Hardware, and plumbing and heating equipment and supplies merchant wholesalers
- 4238 Machinery, equipment, and supplies merchant wholesalers
- 4239 Miscellaneous durable goods merchant wholesalers

#### MERCHANT WHOLESALERS NONDURABLE GOODS

- 4241 Paper and paper product merchant wholesalers
- 4242 Drugs and druggists' sundries merchant wholesalers
- 4243 Apparel, piece goods, and notions merchant wholesalers
- 4244 Grocery and related product merchant wholesalers
- 4245 Farm product raw material merchant wholesalers
- 4246 Chemical and allied products merchant wholesalers
- 4247 Petroleum and petroleum products merchant wholesalers
- 4248 Beer, wine, and distilled alcoholic beverage merchant wholesalers
- 4249 Miscellaneous nondurable goods merchant wholesalers

#### ELECTRONIC MARKETS AND AGENTS AND BROKERS

- 4251 Wholesale electronic markets and agents and brokers, nonfinancial

### RETAIL TRADE

- 4410 Motor vehicle and parts dealers
- 4420 Furniture and home furnishings stores
- 4431 Electronics and appliance stores
- 4440 Building material and garden equipment and supplies dealers
- 4450 Food and beverage stores
- 4461 Health and personal care stores
- 4471 Gasoline stations
- 4480 Clothing and clothing accessories stores
- 4510 Sporting goods, hobby, book, and music stores
- 4520 General merchandise stores
- 4530 Miscellaneous store retailers
- 4540 Nonstore retailers



## SUMMARY OF INDUSTRY CLASSIFICATIONS – Continued

### TRANSPORTATION AND WAREHOUSING

- 4810 Air transportation
- 4821 Rail transportation
- 4833 Petroleum tanker operations
- 4839 Other water transportation
- 4840 Truck transportation
- 4850 Transit and ground passenger transportation
- 4863 Pipeline transportation of crude oil, refined petroleum products, and natural gas
- 4868 Other pipeline transportation
- 4870 Scenic and sightseeing transportation
- 4880 Support activities for transportation
- 4920 Couriers and messengers
- 4932 Petroleum storage for hire
- 4939 Other warehousing and storage

### INFORMATION

- 5111 Newspaper, periodical, book, and directory publishers
- 5112 Software publishers
- 5121 Motion picture and video industries
- 5122 Sound recording industries
- 5151 Radio and television broadcasting
- 5152 Cable and other subscription programming
- 5161 Internet publishing and broadcasting
- 5171 Wired telecommunications carriers
- 5172 Wireless telecommunications carriers (except satellite)
- 5173 Telecommunications resellers
- 5174 Satellite telecommunications
- 5175 Cable and other program distribution
- 5179 Other telecommunications
- 5181 Internet service providers and web search portals
- 5182 Data processing, hosting, and related services
- 5191 Other information services

### FINANCE AND INSURANCE

- 5221 Depository credit intermediation (Banking)
- 5223 Activities related to credit intermediation
- 5224 Nondepository credit intermediation
- 5229 Nondepository branches and agencies
- 5231 Securities and commodity contracts intermediation and brokerage
- 5238 Other financial investment activities and exchanges
- 5242 Agencies, brokerages, and other insurance related activities
- 5243 Insurance carriers, except life insurance carriers
- 5249 Life insurance carriers
- 5252 Funds, trusts, and other financial vehicles

### REAL ESTATE AND RENTAL AND LEASING

- 5310 Real estate
- 5321 Automotive equipment rental and leasing
- 5329 Other rental and leasing services
- 5331 Lessors of nonfinancial intangible assets (except copyrighted works)

### PROFESSIONAL, SCIENTIFIC, AND TECHNICAL SERVICES

- 5411 Legal services
- 5412 Accounting, tax preparation, bookkeeping, and payroll services
- 5413 Architectural, engineering, and related services
- 5414 Specialized design services
- 5415 Computer systems design and related services
- 5416 Management, scientific, and technical consulting services
- 5417 Scientific research and development services
- 5418 Advertising and related services
- 5419 Other professional, scientific, and technical services

### MANAGEMENT OF COMPANIES AND ENTERPRISES

- 5512 Holding companies, except bank holding companies
- 5513 Corporate, subsidiary, and regional management offices

### ADMINISTRATIVE AND SUPPORT AND WASTE MANAGEMENT AND REMEDIATION SERVICES

- 5611 Office administrative services
- 5612 Facilities support services
- 5613 Employment services
- 5614 Business support services
- 5615 Travel arrangement and reservation services
- 5616 Investigation and security services
- 5617 Services to buildings and dwellings
- 5619 Other support services
- 5620 Waste management and remediation services

### EDUCATIONAL SERVICES

- 6110 Educational services

### HEALTH CARE AND SOCIAL ASSISTANCE

- 6210 Ambulatory health care services
- 6220 Hospitals
- 6230 Nursing and residential care facilities
- 6240 Social assistance

### ARTS, ENTERTAINMENT, AND RECREATION

- 7110 Performing arts, spectator sports, and related industries
- 7121 Museums, historical sites, and similar institutions
- 7130 Amusement, gambling, and recreation industries

### ACCOMMODATION AND FOOD SERVICES

- 7210 Accommodation
- 7220 Food services and drinking places

### OTHER SERVICES

- 8110 Repair and maintenance
- 8120 Personal and laundry services
- 8130 Religious, grantmaking, civic, professional, and similar organizations

### PUBLIC ADMINISTRATION

- 9200 Public administration



**SUPPLEMENT A – OPTIONAL CHECKLIST OF SERVICES TRANSACTIONS BETWEEN COMPANY UNIT AND UNAFFILIATED FOREIGN PERSONS**  
**ANNUAL SURVEY OF SELECTED SERVICES TRANSACTIONS WITH UNAFFILIATED FOREIGN PERSONS**

This checklist is provided with the BE-22 survey for the internal use and convenience of Reporters only and is not to be returned to BEA.

The guidelines listed below apply to this checklist.

The purpose of this checklist is to facilitate the determination of whether or not the "parts" or units of a given U.S. company had any of the various services transactions covered by the survey, either sales (receipts) or purchases (payments), with unaffiliated foreign persons during the respondent's fiscal year. (The term "persons" includes business enterprises, governments, individuals, and other organizations and entities.)

For companies with diverse operations, this checklist should be directed to persons in the various parts of the company who are knowledgeable about the parts' sales and purchasing activities and who can say, in their judgement, with a reasonable degree of certainty without conducting a records search, whether or not a part engaged in covered transactions. Because companies organize their operations and accounting systems in different ways, these parts of a company might variously be referred to as profit centers, business units, divisions, subsidiaries, plant sites, establishments, operating centers, etc., or some combination thereof. All parts of the domestic company must be covered, although all need not be given the checklist, since some might already be known by headquarters to have, or not have, reportable transactions.

Definitions of the various types of services are on the reverse side of this checklist. Note that in several cases - advertising (service number 1); performing arts, etc. (service number 18); miscellaneous disbursements (services numbered 3); and rights to natural resources (services numbered 21 and 22) - measures other than, or in addition to, sales of services and purchases of services should be used in completing the checklist.

- Both sales and purchases of services should relate to the company's fiscal year.
- Transactions by the U.S. operations ONLY are covered. Transactions by or with foreign branches or subsidiaries (foreign affiliates) of the U.S. company are NOT covered, NOR are transactions by or with a foreign parent company.
- In reporting purchases, include items meeting the above criteria, without regard to whether they were charged as an expense on the income statement, capitalized, or charged to inventories.
- "Foreign" means that which is situated outside the United States and its territories and possessions. Therefore, transactions with companies located in the United States that have foreign parents are NOT includable; and transactions with foreign affiliates of other U.S. companies ARE includable.
- Foreign persons are considered to be "unaffiliated" if (a) the U.S. company's ownership percentage (direct and indirect) in the foreign person is less than 10 percent or (b) the foreign person's ownership percentage (direct and indirect) in the U.S. company is less than 10 percent. (Questions as to whether a particular foreign company is affiliated or unaffiliated should be referred to the person named in the box below.)
- Includable transactions are determined by the above criteria, without regard to WHERE the services were performed. For example, services performed abroad by a respondent are covered if the respondent's U.S. operations performed the services instead of a foreign affiliate. Similarly, purchases of services from unaffiliated foreign persons are includable without regard to WHERE such services were performed.

Person in company headquarters to contact concerning questions about this survey.  
Name \_\_\_\_\_

TELEPHONE		
Area code	Number	Extension

**OPTIONAL SALES AND PURCHASES CHECKLIST** – For each service listed, for both sales and purchases, mark (X) "Yes" or "No" as to whether, in your judgement, your part of the company had any transactions with unaffiliated foreign persons during the fiscal year. If the answer is "Yes," enter the estimated amount of the transactions in column (c) (SALES) or column (f) (PURCHASES).

Type of service	SALES			PURCHASES		
	Had any transactions?		Estimated amount <i>Report in dollars</i>	Had any transactions?		Estimated amount <i>Report in dollars</i>
	Yes (a)	No (b)		Yes (d)	No (e)	
1. Advertising services						
2. Auxiliary insurance services						
3. Disbursements to fund news-gathering broadcasters						
4. Disbursements to fund news-gathering costs of print media						
5. Disbursements to fund production costs of motion pictures						
6. Disbursements to fund production costs of broadcast program material other than news						
7. Disbursements to maintain government tourism and business promotion offices						
8. Disbursements to maintain sales promotion and representation						
9. Disbursement to participate in foreign trade shows			Not reportable			
10. Educational and training services						
11. Financial services			Not reportable			
12. Medical Services, inpatient						Not reportable
13. Medical Services, other than inpatient						Not reportable
14. Merchenting services						Not reportable
15. Mining services						
16. Other private services*						
17. Other trade-related services						
18. Performing arts, etc.						
19. Premiums paid on primary insurance			Not reportable			
20. Losses recovered on primary insurance			Not reportable			
21. Sale or purchase of rights to natural resources, and lease bonus payments						
22. Use or lease of rights to natural resources, excluding lease bonus payments						
23. Waste treatment and depollution services						

\*Other private services (i.e., service number 30) consist of language translation services, salvage services, security services, collection services, satellite photography and remote sensing/satellite imagery services, space transport, and transcription services.



## DEFINITIONS OF TYPES OF SERVICES

1. **Advertising services** – Preparation of advertising and placement of such advertising in media, including charges for media space and time. An advertising agency selling services should use **gross billings** to unaffiliated foreigners in completing the checklist.
2. **Auxiliary insurance services** – Agent's commissions, insurance brokering and agency services, insurance consulting services, evaluation and adjustment services, actuarial services, salvage administration services, and regulatory and monitoring services on indemnities and recovery services.
- 3–9. **Miscellaneous disbursements** – Disbursements or outlays to fund news-gathering costs of broadcasters and the print media; production costs of motion picture companies and companies engaged in the production of broadcast program material other than news; and costs of maintaining tourism, business promotion, and representative offices, and for participating in foreign trade shows.
10. **Educational and training services** – Educational or training services provided or acquired on a contract or fee basis. Excludes tuition and fees charged to individual students, as well as training done by a manufacturer in connection with the sale of a good.
11. **Financial services** – Payments to foreigners of credit-related fees; fees on securities transactions; and fees for other financial services by U.S. firms, or domestic subsidiaries of U.S. firms, that are not financial services intermediaries or providers. For transactions in "other" financial services, specify here or on an attachment the type of service that accounts for the largest share of the data reported.
12. **Medical services, inpatient** – Receipts from foreign patients (or their insurers) receiving care on an inpatient basis at a U.S. medical institution. Includes charges for room and board; fees for professional or technical services, such as fees for the services of physicians, nurses, and therapists; consultation fees; fees for diagnostic tests or images; laboratory fees; charges for drugs, medical equipment, and supplies; and other charges to inpatients.
13. **Medical services, other than inpatient** – Receipts from foreign patients (or their insurers) and medical institutions for outpatient care and for other medical services provided on an other than inpatient basis. Outpatient services include professional and technical services, such as fees for the services of physicians, nurses, and therapists; consultation fees; fees for diagnostic tests and images; laboratory fees; charges for drugs, medical equipment, and supplies; and other charges to outpatients. In addition to outpatient services, report under this service number all other medical services that are not inpatient services, including remote diagnostic services and remote monitoring of surgical procedures provided from the United States to patients, practitioners, and medical institutions located in foreign countries (telemedicine) and services of medical laboratories that do not deal directly with patients.
14. **Merchandising services** – Sales of merchandising services are equal to the **difference** between your cost and the resale price of goods (such as crude oil, grain, and other commodities) that are both purchased and resold abroad; that is, the goods are neither imported to, nor exported from, the United States, and they do not undergo significant processing during the time between when they are purchased and resold. Without regard to whether the goods were initially purchased from an affiliated or unaffiliated foreign person, includes only transactions where the goods were resold to an unaffiliated foreign person.
15. **Mining services** – Includes drilling wells for oil or gas field operations; exploration, including prospecting and taking ore samples; grading and building foundations at well locations; well surveying; and making geological observations. Includes services purchased in connection with proposed projects (e.g., feasibility studies) as well as projects that are actually being carried out.
16. **Other private services** – Report transactions in the following types of services: Language translation services, salvage services, security services, collection services, satellite photography and remote sensing/satellite imagery services, space transport, and transportation services.
17. **Other trade-related services** – Auction services (including online) transaction fees for business to business (B2B) exchange conducted over the internet, and commissions to unaffiliate sales agents.
18. **Performing arts, sports, and other live performances, presentations, and events** – Fees received (net of allowances for foreign expenses) or paid (net of allowances for U.S. expenses) for performing arts, sports, etc. To be reported by (a) U.S. management companies, booking agents, promoters, and presenters who received funds from or paid funds to foreign persons, for performances and events, and (b) U.S. performers who received funds directly from a foreign person rather than through a U.S. management company or similar entity. (As used here, "performers" means entertainers, sports teams, orchestras, dance companies, lecturers, athletes who do not play for sports teams, and similar persons or performing groups.)
19. **Primary insurance premiums (purchases only)** – Applies only to insurance purchased from foreign insurance carriers. Equals premiums paid minus cancellations. Excludes reinsurance transactions.
20. **Losses recovered on primary insurance (purchases only)** – Applies only to claims recovered on purchases of primary insurance.
21. **Sale or purchase of rights to natural resources, and lease bonus payments** – Receipts from the sale of, or payments for the acquisition of rights to natural resources located in the United States and abroad, and lease bonus payments. Excludes sales of purchases of rights to surface land.
22. **Use or lease of rights to natural resources, excluding lease bonus payments** – Receipts or payments for the use of rights to natural resources located in the United States and abroad, including oil or mining production royalties. Excludes lease bonus payments (reportable under 21) and sales or purchases of rights to surface land.
23. **Waste treatment and depollution services** – Treatment of radioactive and other waste, stripping of contaminated soil, cleaning up of pollution including spills, restoration of mining sites, and de-contamination and sanitation services. Includes all other services that relate to the cleaning or restoring of the environment.

*For the convenience of the person in the company headquarters who is preparing the consolidated BE-22 report, please complete the following.*

Part or unit of company this Supplement A is for:

Name of person in the part or unit of the company to contact concerning this Supplement A

TELEPHONE

Area code	Number	Extension
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